

urging the repeal of periodical postage amendment to the war-revenue act; to the Committee on Ways and Means.

By Mr. CLARK of Pennsylvania: Petition of H. W. Van Tassel, Thomas Curran, J. Murray, George L. Woodward, and 18 others of the Musicians' Union, No. 17; also petition of M. V. B. Gifford, J. H. Durfield, L. E. Stancliff, F. D. Hatch, and 39 others, praying for the passage of House bill 7995 for the preservation of the *Niagara*, Commodore Perry's flagship in the Battle of Lake Erie; to the Committee on Naval Affairs.

By Mr. DALE of New York: Petition of Maude N. Brodeur and 11 other citizens of Berkeley, Cal., indorsing the Kelly bill, House bill 8761; also a resolution of the Twenty-eighth Ward Taxpayers' Protective Association, of Brooklyn, N. Y., favoring the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

Also, petition of P. Hall Packer, mayor of Sea Bright, N. J., asking for an appropriation to protect the entrance to Sandy Hook; to the Committee on Rivers and Harbors.

Also, petition of Frederick Doyle, Chicago, Ill., and resolution of the Mishkawaka Woman's Club, Mishkawaka, Ind., asking for the repeal of the periodical postage amendment of the war-revenue act; to the Committee on Ways and Means.

By Mr. DARROW: Resolutions of the Lumbermen's Exchange, of Philadelphia, Pa., in behalf of the creation of a board of war control and the appointment of a director of munitions; to the Committee on Military Affairs.

Also, petition of the Philadelphia Central Labor Union in behalf of the Madden bill, House bill 1654; to the Committee on the Post Office and Post Roads.

By Mr. DILLON: Petition of Fred Felton and 18 other citizens of South Dakota, asking for the repeal of the periodical postage amendment to the war-revenue act; to the Committee on Ways and Means.

Also, petition of A. C. Ellerman and 110 other citizens of South Dakota, asking that the spring game law, in reference to duck and goose shooting, be suspended for the duration of the war; to the Committee on Agriculture.

By Mr. DOOLING: Memorial of Brooklyn Surgical Society, favoring advanced rank for officers of the Medical Corps of the Army; to the Committee on Military Affairs.

By Mr. ESCH: Papers in support of House bill 786, granting a pension to Lilla J. Darling; House bill 792, granting an increase of pension to William B. Hazeltine; House bill 796, granting an increase of pension to Silas D. Taylor; House bill 794, granting an increase of pension to Jesse Mather; House bill 788, granting a pension to Arabella Miller; House bill 787, granting a pension to Mary E. Jenks; and House bill 785, granting a pension to Hiram C. Barrows; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: Petition of the Progressive Literary and Fraternal Club of Bellingham, Wash., and of Frederick Doyle, of Chicago, for repeal of the increased postage rates on periodicals; to the Committee on Ways and Means.

By Mr. HAMILTON of Michigan: Petition of Mrs. Bessie Fowler, of South Haven, Mich., for the Woman's Home Missionary Society of the Methodists of Kalamazoo District and for the Young People's work of the same society, protesting against the passage of Senate bill 3476; to the Committee on the District of Columbia.

By Mr. LINTHICUM: Resolution of Zeta Lodge, No. 2405, Fraternal Aid Union, favoring increased compensation for postal employees; to the Committee on the Post Office and Post Roads.

Also, a letter from Charles W. Hess, Baltimore, Md., urging the passage of the Van Dyke bill increasing salaries of railway mail clerks; to the Committee on the Post Office and Post Roads.

Also, petition of C. M. Gray, Baltimore, Md., favoring the Keating bill, House bill 7356; to the Committee on Appropriations.

Also, petition of John T. Stone, and memorials of the Medical and Chirurgical Faculty of Maryland, the Baltimore City Medical Society, and the Council Medical Chirurgical Faculty of Maryland, all favoring legislation creating advanced rank for officers of the Medical Corps of the Army; to the Committee on Military Affairs.

By Mr. LONERGAN: Petition of the Cosmopolitan Club of Manchester, Conn., for the repeal of the postal increase; to the Committee on Ways and Means.

Also, resolutions of the Typographical Union of New Britain, Conn., protesting against the importation of Chinese coolies for labor or other purposes; to the Committee on Immigration and Naturalization.

By Mr. LUNDEEN: Petition of Minnehaha Lodge, No. 624, Brotherhood of Railroad Trainmen, Minneapolis, Minn., W. P. Kennedy, president, in opposition to section 9 of House bill 8172 or any compensation law affecting railway employees; to the Committee on Interstate and Foreign Commerce.

Also, petition of Edwin Boutwell and others, that Congress define the number of hours that shall constitute a day's work, and that all work performed for the department shall be included in the day's work; also that all substitute railway clerks shall receive the same allowance for study that the regularly assigned clerks receive; and that the Van Dyke and Madden bills be passed with the provision "for the period of the war" struck out; to the Committee on the Post Office and Post Roads.

Also, petition of Col. Earl D. Luce, that Congress take over the short-line railroads; to the Committee on Railways and Canals.

Also, petition of the Plasterers and Cement Finishers of Minneapolis and St. Paul, by William Olson, financial secretary and business agent, St. Paul, Minn., requesting that Congress have the hospital buildings which the Government is now constructing at the various cantonments plastered to assure the comfort and health and sanitation of our soldiers; to the Committee on Military Affairs.

Also, petition of Hearts of Oak Lodge, No. 525, Brotherhood of Railroad Trainmen, Minneapolis, Minn., by M. O. Woods, president, in opposition to section 9 of House bill 8172; to the Committee on Interstate and Foreign Commerce.

Also, petition of Minneapolis Local, No. 30, Switchmen's Union of North America, by Morris Full, secretary, Minneapolis, Minn., in opposition to section 9 of House bill 8172; to the Committee on Interstate and Foreign Commerce.

By Mr. REED: Papers in support of House bill 9075; to the Committee on Invalid Pensions.

Also, evidence in support of House bill 10049; to the Committee on Pensions.

By Mr. WARD: Petition of Rev. H. Smith and other citizens of Woodbourne, N. Y., favoring enactment of Webb-Thompson bill, and other prohibition legislation pending in Congress; to the Committee on the Judiciary.

## SENATE.

THURSDAY, February 21, 1918.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we call upon Thee from day to day as we come to face the solemn responsibilities of this place and hour. We would gain a deep appreciation of those rights and obligations that lie deeper than human government, deeper than all that we have control of in life. We pray Thee to give us spiritual vision to know the things that pertain to life eternal, that we may have constantly in view the everlasting kingdom of God. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

### NATIONAL ACADEMY OF SCIENCES.

The VICE PRESIDENT laid before the Senate the annual report of the National Academy of Sciences for the year ended December 31, 1917, which was referred to the Committee on Printing.

### ESTIMATES OF APPROPRIATION.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of the Interior submitting a supplemental estimate of appropriations in the sum of \$150,000 required by the Bureau of Mines for investigations concerning minerals needed for war purposes for the fiscal year 1918 (S. Doc. No. 178), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Postmaster General submitting a supplemental estimate of appropriation in the sum of \$1,185,000 required by the Postal Service for the fiscal year 1918 for the manufacture of stamps, stamped envelopes, stationery, etc., payable from postal revenues (S. Doc. No. 177), which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a joint resolution (H. J. Res. 70) authorizing the erection on the public grounds in the city of Washington, D. C., of a statue of James Buchanan, a former President of the United States, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a concurrent resolution providing for the printing of 350,000 copies of the war excess-profits tax regulations No. 41, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a concurrent resolution providing for the printing of 350,000 copies of the income-tax regulations No. 33, revised, etc., in which it requested the concurrence of the Senate.

The VICE PRESIDENT. Petitions and memorials are in order. [A pause.] If there are none, reports of committees. [A pause.] Introduction of bills. [A pause.] Concurrent or other resolutions. [A pause.] The morning business is closed.

## RAILROAD CONTROL.

Mr. SMITH of South Carolina. I move that the Senate proceed to the consideration of Senate bill 3752, the unfinished business.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

Mr. LEWIS. Mr. President, I take it that my observations in the general debate of this railroad bill will practically close the general debate and we will soon be remitted to the 10-minute rule and to the amendments. I trust I may not occupy the Senate unnecessarily.

The VICE PRESIDENT. The Senator has three hours. [Laughter.]

Mr. LEWIS. I thank you, sir. There are times when I would be very envious of that privilege. To-day I am not anxious to avail myself of it, and I fear the Senate is not particularly hopeful that I should occupy it. [Laughter.]

Mr. ASHURST. Mr. President, I suggest the absence of a quorum.

Mr. LEWIS. I yield for the purpose of the suggestion, holding my place if I can. I do not want to lose my right to the floor.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Jones, N. Mex.	Overman	Thomas
Culberson	Jones, Wash.	Page	Tillman
Dillingham	Kellogg	Penrose	Townsend
Fletcher	Knox	Reed	Trammell
Gallinger	Lewis	Sheppard	Underwood
Gerry	Lodge	Sherman	Vardaman
Gore	McCumber	Simmons	Williams
Gronna	McLean	Smith, S. C.	
Hale	McNary	Smoot	
Johnson, S. Dak.	New	Sterling	

Mr. GERRY. I desire to announce that the Senator from California [Mr. PHELAN] is detained on official business.

Mr. GRONNA. I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness in his family.

Mr. McNARY. I wish to announce the unavoidable absence of my colleague [Mr. CHAMBERLAIN], on account of illness.

Mr. LEWIS. Mr. President, let me announce the absence of the Senator from Kentucky [Mr. JAMES] and the Senator from Oregon [Mr. CHAMBERLAIN], because of personal illness.

The VICE PRESIDENT. Thirty-seven Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. KENDRICK, Mr. KIRBY, Mr. NORRIS, Mr. ROBINSON, Mr. SAULSBURY, Mr. SHAFROTH, Mr. WARREN, and Mr. WOLCOTT answered to their names when called.

Mr. NUGENT, Mr. FRELINGHUYSEN, Mr. CURTIS, Mr. FRANCE, Mr. CUMMINS, and Mr. BECKHAM entered the Chamber and answered to their names.

Mr. BECKHAM. I wish to announce that my colleague [Mr. JAMES] is absent on account of illness. I will let this announcement stand for the day.

Mr. STONE, Mr. HARDWICK, Mr. NELSON, Mr. MARTIN, Mr. SWANSON, Mr. JOHNSON of California, Mr. KENYON, Mr. HENDERSON, and Mr. POMERENE entered the Chamber and answered to their names.

The VICE PRESIDENT. Sixty Senators have answered to the roll call. There is a quorum present. The Senator from Illinois will proceed.

Mr. LEWIS. Mr. President, this railroad bill, so called, has very many interesting features, and, with great respect to the debate and paying a due tribute to the eminent men who have participated in a most effective manner in that debate, I feel that some phases directly connected with the bill have been omitted in the consideration. Or if they have been contemplated in the consideration they have not been expressed in the debate. It is likely that my entrance at this hour in the debate means that my speech is the closing of the general debate.

Mr. President, the chairman of this committee, the junior Senator from South Carolina [Mr. SMITH], has given a ceaseless energy, constant labor, and unflagging perseverance to this work of getting out this bill from the committee and supporting and maintaining it on the floor. It is but justice to say to the chairman and of him that if the State of South Carolina ever fails in appreciation of his great efforts from time to time on this floor in conservation of its cotton interests, it should certainly turn with commendable pride and constant admiration for the distinctive effort he has brought to bear in support of this great administration measure.

Mr. President, there is another feature I can not overlook nor fail to advert to. The debate on this bill from the Senators who have contributed to it has disclosed an amount of information and learning that would have been a credit to any set of men in any body, legislative or judicial. The amount of industry and sincerity, the complete divorcement of partisan attitude, the utter denial to indulge in any political prospective for themselves, has been so apparent that when this whole matter is concluded justice will accord to this debate a verdict of impartiality and fairness and a contribution of learning that has not been excelled by any other, sir, that has preceded it, certainly in this administration.

Mr. President, I see the purposes of this bill, however, in a little different light than has been proposed, at least observed upon, by these eminent Senators who have addressed themselves to the measure. The bill has for its ostensible object the lending of money to railroads upon their roads, their property, and their earnings as a security. The object is, of course, to enable the roads to conduct their business, and particularly to provide for that \$790,000,000 that is now due upon securities of different roads of the country, where there is no money to meet it, and to avoid the distress and embarrassment that will follow from the inability to meet the obligations.

Mr. President, I heard the eminent Senator from Iowa, the senior Senator [Mr. CUMMINS], in his very full presentation of the objections he has to this measure, and wherein and however I may differ from the senior Senator from Iowa in many things, and possibly in many views on this bill, it is but the expression of justice to say that in railroad matters, in railroad legislation, there is no more informed man in public life.

The eminent Senator from Minnesota, the junior [Mr. KELLOGG], who differed to a great degree from the senior Senator from Iowa, however, excluded from personal experience in legislation of railroads, must be accorded that tribute which comes from a very vast experience in the litigation in the legal questions which arise growing out of the legislation touching railroads. So from both these sources much information rightfully is gleaned.

Mr. President, I am compelled of my own choice to pass by many of the features of this bill which I do not feel at all necessary to consider in order to justify my support of the measure.

We have been lending to foreign governments money that will soon reach in its total \$10,000,000,000. We are lending this money only upon their bonds. These bonds, sir, are issued from governments over which we have no control. The security for which these bonds issue we have no government of. We have no method by which we can protect ourselves in the administering of these governments, in the conserving of our securities, in the guardianship of the property. Yet we issued this vast sum of money in perfect confidence that it is a safe investment, stimulated by the highest patriotism, and to be rewarded ultimately by a return of the full face of the security here in our own country.

These roads to which we are about to advance the money are all in the United States. The property will soon be under our own supervision, the roads under our own control, the management under our own direction. We are enabled to conserve this property, guard its finances, and secure ourselves.

At the very outset, the mere statement of this parallel would suggest that the investment to the railroad is really a much more secure, stable, and finally a more reliable one than that which we are indulging in behalf of these foreign governments.

Mr. President, I may shock those who may know me with some intimacy when I wish it understood that I view this bill as the beginning of the Government ownership of the railroads. More than that, sir, from my viewpoint this bill initiates the policy of this Government into the ownership not only of the railroads but into that era of the ownership of the telegraph and the telephone in America, to be followed by the ownership or the control of the agencies of fuel, those natural agencies—coal and oil—and all that, in order that this Government may no longer and never in the hereafter be paralyzed in its necessary governmental un-

dertakings because of the monopoly of private ownership of those public utilities essential to the public welfare of the Republic.

Mr. President, I know there are many objections to entering by this Government upon what may be called the general policy of a Government ownership of the transportation lines, as well as of other essential agencies to the public welfare.

There is now, and will remain, an honest school of difference between that which urges upon the Government the taking over of all of these agencies as necessary to the welfare and uses of the Government and that other school that demands for private enterprise full and unhampered opportunity for the exercise of its industry, the indulgence of its genius, and the benefit of its superior competition. In those two ideas there will ever be a conflict, and there is no man living to-day, nor will his children who shall come after him, ever see the end of it. It has been a question in all forms of government since government was devised.

It may interest my fellow Senators who do me the kindness to hear me to know that in the administration of Ming, 850 years before the birth of Christ, in the Government of China, the doctrine of socialism and that of the policy of the Government owning and controlling the roadways over which vehicles in the form of baskets, conducted upon the shoulders of men, were to be controlled, as against the policy of the companies, known as the Chinese companies, which then owned these methods of conveyance and use of transportation for the benefit of those who bought the privilege of this particular monopoly from the Government in which they existed for a certain sum of money; and afterwards, of course, extracted from the patrons such very large sum as they could as their profit of the undertaking.

Mr. President, it may amuse you to know that in the little Government of Iceland long years ago when it attempted a republic, which did not last very long as against the hordes which swept down from the north upon the country—that then ended it—that the first advent on the part of this little land, bounded with its barriers of snow and ice, was to control the first muniment of personal welfare, the egress and ingress of its people to and from markets and ports to their homes. That this little republic would have inaugurated for the very first government of Europe that system but for the force of spear and sword and the invasion of armies none of us now can deny.

But to indicate how little there is really new and how truly is the prophecy of Isaiah fulfilled, when the early Republic of Judea was established, one of the very first invocations that was sent to it from their spiritual masters was the demand that it promptly possess itself of the roads in order that no military companies from the outside be permitted to transport themselves across the land of this young Judea without the consent of its government, nor that its own people be allowed to use it without compensation to their own government. This control, having for its object the national defense, was based upon the theory that if private management or private control should ever possess the roads there would be no way to prevent the foreign enemy from being permitted to use the roads for their hordes of assault in exchange and barter, having paid for the privilege, and they might find their land invaded by men occupying their roads in turn for having bought them from those who privately assumed to sell them.

So we may not flatter ourselves that these are original thoughts in government. My eminent colleague the Senator from Illinois [Mr. SHERMAN] yesterday alluded, in a speech filled with acidulous drippings, to the fact that he could remember how these issues of Government ownership of roads were heard throughout Illinois in the seventies and in the eighties. I can assure my esteemed colleague that long indeed before Illinois was born they were heard in their different form and echo throughout different avenues of the earth.

But, Mr. President, the objections urged to Government ownership are, of course, in our Government particularly pertinent. We are presumed to have founded a Government on the theory of individualism, and to that extent, of course, it is a serious question whether these views suggested by me are in harmony with it.

But I wish to put my advocacy of this measure on the ground of national defense. I wish now to state to the Senate that the time has come when this Government must look squarely in the face the problems which confront it. This Government must take possession of these roads under this proposed law, or under any other law, not so much as a commercial necessity but as a necessary national preservative.

Mr. President, has it ever struck your mind (and, brother Senators, I ask your attention to the thought) that to-day there is not a road owned by this Government in the whole United

States that can transport your soldiers from sea to sea for the defense of your shores? Do you fancy that the necessity is not now upon you? Senators, have you observed that here, when we attempted to defend ourselves against a foreign foe, we have been unable, in the system of transportation now prevailing, to send our soldiers to the coast, where they were to embark upon vessels to be landed upon foreign shores, because of the lack of continuous transportation, and because of the confusion of the railroads, the complications of their systems, and their failures to serve? What do you think would have been the result if an enemy were at your door possessing your coasts? What, then, do you think would have been the consequence to your Government in its efforts to transport its soldiers, to land its supplies, and be prepared to defend itself at its Pacific doors or on the Atlantic?

Mr. KELLOGG rose.

Mr. LEWIS. I fancy the Senator from Minnesota desires to interrupt me. Does he desire to do so?

Mr. KELLOGG. I desire to ask the Senator from Illinois a question.

Mr. LEWIS. I yield to the Senator from Minnesota.

Mr. KELLOGG. Mr. President, did I correctly understand the Senator from Illinois to say that the railroads had failed to transport troops promptly?

Mr. LEWIS. Yes. The word "promptly," I may say to the Senator, is a very elastic one.

Mr. KELLOGG. To transport them efficiently and promptly?

Mr. LEWIS. So is the word "efficiently" an elastic one. However, I say this, that in the attempt to transport the troops the roads were so congested that the cars could not be had. Since the Senator invites me to it, I regret to state that the soldiers were cramped. They were placed in accommodations which I deplore to say cattle would not have been put in. That was out of a forced condition on the part of the railroads. They did not have the equipment, and the conditions were such, I answer the Senator, that far from being transported promptly and efficiently, they were unfortunately most barbarously transported.

Mr. KELLOGG. The Secretary of War reported that the soldiers were transported promptly and efficiently, and praised the transportation in the highest terms.

Mr. LEWIS. I must say to the Senator that the conclusion of the Secretary of War was that "under the conditions," and it is those conditions which I ask to have removed. I must say to the eminent Senator that under the conditions we must admit that the roads probably could have done no better, and we must be just and say they did the best they could, but it is those conditions, which I feel laid such a burden upon this Government and placed us at such disadvantage that I wish to change.

I have also the other reason to which I was alluding and reaching when the eminent Senator from Minnesota interpolated his suggestion. Mr. President, I regard this Nation in this hour confronting a very serious danger to which our fellow citizens seem blind or indifferent. Notwithstanding the generosity and benefactions of this Nation to Russia, the vast millions we gave it to rehabilitate and restore it, its people seem unconscious either of the debt of appreciation or of gratitude. The attitude of mind of Russia is one of opposition to us, and that without regard to anything we have done. I deplore to say that it is my opinion that this attitude of antagonism will multiply and will continue, for to the Russian mind there is a basic reason: First, they have been educated to the belief that this United States failed in its obligation of gratitude to Russia. They point to the fact that we lent our aid, as they charge, to Japan, through the influence of Britain, in the war between Russia and Japan. Russia holds a deep sense of antipathy, if not vengeance, against us for that. Her humble people, her farmers, the moujiks, have been educated to hold us in prejudice, for that, it is said, we "put the Jew money lender upon them and stationed him upon every corner where their farms produce." That slander, we know, has no foundation. That falsehood, we know, is without justification, even in any form of governmental fact. We did demand of Russia that she give to the Jew the same fair treatment as a citizen that any other American citizen traveling in her land should have, but it is sufficient to say that our enemies, whether they come from Prussia or any other land, have fanned that prejudice to where to-day it burns like a flame in Russia.

Mr. President, Russia will not decline, as I see it, to gratify upon us any form of resentment she ever can enforce. I do not indulge the dream that is enjoyed by many gentlemen in this land that we have anything to expect in the way of reciprocal military friendship from Russia. To the contrary, I now warn my country, as far as my impotent voice can reach, that if Prussia shall succeed in the movement she is now making

toward the appropriation of Russia and secure power in Russia such as she hopes to administer, her very first inducement on Russia will be to advise Russia, "There is Alaska."

She will point to Russia that Alaska is yonder in the far north seas, so far as we are concerned, in the far northwestern waters; that there are the Aleutian Islands; that this land was wrested from them by America in diplomacy of the United States and, as alleged, "for a song." It will be cried out that Alaska possesses enough gold and minerals to enrich them from one end of their land to the other. That it was always theirs and was filched from them by us. Everything will be urged to awaken cupidity or vengeance and demand to wrest Alaska will be made by Prussia.

Alaska, divided from us by water, remote from us in its connection, difficult of approach, more difficult of defense, presents to us, to my thinking, at this hour the very serious problem of the day, because when Prussia will have animated this Russia, that is not now friendly to us at all, to move up toward Alaska and possess it, how shall we defend it? Russia, stimulated by Germany, could seize Alaska from the north, and we would have difficulty to reach it. We are engaged against Germany in Europe. In what manner would we move to the defense of this possession?

Mr. President, we are now building a railroad in Alaska as a Government railroad. The object, among other things, was to bring forth the stored riches of Alaska, but principally, I must assume, in order that we might defend Alaska; that we might have a method by which we could reach our ships at the shores of Alaska. If, sir, we do not have a Government road that reaches from sea to sea, that we may make an immediate connection whenever possible, wherever possible, and wherever necessary with the Government railroad of Alaska, by which we can transport troops across our own land, supplies across our own land, and then across Alaska in preference to any form of commodity of private persons whomsoever at any time, what possible agency of defense have we against that hour which I, sir, regretfully prophesy is ahead of us? With this bill passed it will at least initiate at once a system in the hands of the Government and enable us to prepare a defense for the evil which my eyes behold is at your door.

If the eminent Senators sitting about me answer that they can see no reason why this assault on Alaska should be made, then I will advert their minds, if they will permit me, to a military reason. What wiser policy than to have Germany stimulate Russia to seize Alaska, so as to compel us to divide our forces to the great North, to defend it, and thus disrupt them from the organization that is necessary now to be in the Atlantic to war against Germany in Europe? Then, Mr. President, keep in mind that that is but the beginning of what I see to be the problems of my country in our national peril.

Senators, we will live—God please to grant us our divine statute of limitations—to have to fight for Hawaii; and if we have any possessions in the Philippines—for the Philippines—all this to prevent those islands from being wrested from us by a power that will open its warfare through some form of antagonism—which need not now be anticipated in detail—against the United States.

If there be no railroad owned by this Government that can be used constantly to transport the troops to the edge of the Pacific to prepare us in our defense, to meet our vessels, and enable us to prepare in Hawaii, or in those possessions of the Pacific, the want of such defense will be quickly observed by those whose purposes and advantages will be served by assailing us, and we will find ourselves again powerless. For the protection of these possessions on the Pacific coast it is necessary that we have a Government railroad that shall be used and appropriated for the national defense of those possessions and for the safety of our Pacific coast against assaults which my mind, which my vision, beholds in the not too far distant future approaching upon us.

Mr. President, I can not conclude this suggestion without inviting your attention to the fact that we now control Porto Rico and the Virgin Islands. We have some friendship toward Cuba and a relation of amity. When the conflict comes upon us from any source—whether it should come now through Germany or in the future from a foreign foe upon the Atlantic or upon the Pacific—mark you, sir, these possessions in Atlantic waters will be easily the prey of any foreign foe assailing us. Therefore you must see clearly, sir, that if my argument is well taken as to the necessary defense of the Pacific, it is equally true as to the Atlantic, and that we need a road from the Pacific to the Atlantic as a Government property which can be taken, possessed, and utilized at any hour by the Government to transport to the Atlantic all essentials of defense, whether they be supplies or men, that these possessions, sir, in the Atlantic may

be properly defended and supplied by our ships and our railroads.

Have we such a position now? No. Are we prepared now? No. Why? Because, as Senators on both sides of this Chamber have pointed out, our country never could be aroused to her dangers; and she will now, in her editorial columns throughout many places in this Nation, criticize me with great freedom. I dare say, and some bitterness, because I have assumed to point out at this critical time these increased burdens which I see are destined to come upon my Nation.

Mr. President, because I see, sir, the necessity of Government roads for the national defense. I justify this bill, indorse the purposes of the bill, and accept the objects of the bill. To the purpose of my support I concede every objection urged by the eminent Senators who have so faithfully considered the measure. I admit every one of them to the full extent to which they have been propounded; and I still reply that with all of the evils proposed by these eminent leaders they are small and insignificant compared to the benefits that will arise to the Government out of the protection, guaranty, and security which would come to use from these Government-operated roads in the manner that we are now taking them and in the method that we will continue to control them.

Mr. President, then, in conclusion of this feature, I tender the illustration:

Sir, it took Britain, with her divided situation, nearly two years, as we know, to make and land her armies. We know the trouble that was put upon France, with her more or less hybrid condition of private ownership of part of the roads and Government ownership of others. But when it came to Prussia, will Senators overlook how quickly Prussia, with her system of Government-owned roads, was enabled to mass her men at any point in all Prussia, and deprive all private merchandise, all private enterprise, of the privilege of the utilization of the roads? Being her own property, she was in no wise called upon to do as we had to do—summon the proprietors, negotiate a week, and reach a doubtful conclusion, leaving it subject to explosion, open to any form of construction, and finally a result to our embarrassment. No! She took her own, placed her people upon it, and landed them in 11 days fully equipped, marshaled from helmet to sandal, and placed them upon the border of France, and was enabled by this mobilization to threaten the liberties of the world, so powerful was the concentration she was enabled to effect.

We may, sir, shrink from ever emulating the example of Prussia in her military establishments, in their assaults upon civil government, her blows against the freedom of man, or her attacks upon liberty of nations; but we surely will not blind our eyes with a bandage of ignorance and close them with indifference to this scene of complete efficiency when it came to defending her people or to preparing to advance against those she charged to the world were advancing upon her.

Then, I would have eminent Senators understand that while I respect their opposition, and in some instances their opposition is well founded to many features of the bill from their premises, I insist, sir, that this measure should pass with a unanimous vote for the uses it will give us in our national defense and the preparation against those dangers which any reflective man must see can be on their way against us.

Mr. President, many measures, sir, have in them a vital life that is not seen at the mere appearance, and they serve purposes which even their very authors at the time could not recognize.

Mr. President, in your casual reading I am sure you have run across the celebrated treatise of Guizot upon the Civilization of Europe. Archibald Alison, the great essayist of Scotland—writing from Postlehouse, his private home, in 1841—descants upon the splendid work of Guizot; and, among other things Alison has to say in the form of criticism, is that the work is destined to lay down precedents for the guidance of governments not yet born, and for the direction of men in things which Guizot himself did not understand.

Sir, there is before you an eminent Senator, the junior Senator from Pennsylvania [Mr. Knox], who does me the compliment of his attention, who, I am sure, has had his attention and has had his mind drawn to the matter to which I now will advert.

In Morley's *Reminiscences*, in that very interesting book, he proceeds to advert to the literary character of the men he has known who held high places in statecraft; and among other things, Count Morley calls the attention of Britain to how true it is that this interesting aversion of Alison on Guizot and his history of the civilization of Europe has come to pass; that a form of government has come upon Europe which, while Guizot anticipated it as a thing that should be, he never lived to see.

It had no relation whatever to the thing of which he was writing, and he justifies Alison in his then prophecy that a form of relief to mankind would follow from the things set forth in Guizot, but they would come in another government and in another era than that to which Guizot referred in his splendid disquisition.

Mr. President, might I make an application of these observations to this bill? I probably shall not be living—in the nature of Heaven's disposition of us all—it can not be possible that any of us can exist to see the end of the new era that is now upon us; but you will see, learned Senators, that you have now begun, by this piece of legislation, a new era in the formation of this Government, and have inaugurated a policy for those who are not now living, leading to purposes that were never in the mind of the framer of the bill; to objects that are not in the mind of the eminent Senators who discuss this bill from their hearts in sincerity, but which I do respectfully urge are necessary to the welfare of this Republic.

Senators, hear me propound that which in my land—the South—where I was born, will be treated as a heresy, and for which I dare say I will not soon be forgiven.

This Government has reached an end of its yesterdays. There is now no excuse whatever for a sovereign State government. There is now no governmental reason which can be advanced in the mind of a thinking, reflective man for that organization called the sovereignty of a State. We have grown so close as a Union that we have become in the United States a state of Government; and, Mr. President, you will see in the changes of this Government a result that will bring us to but two forms of sovereignty in government. The municipality, with regulations for its people at its doors through its own local charter; and, then, the national legislation for the government of the country at large. This railroad bill, sir, in its execution, will hasten this sure transformation, establishing the Nation as a union of service to the people and a Republic of national defense, unhampered by divided powers contented for by certain States, that is coming upon this Government.

Mr. KNOX. Mr. President—

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Pennsylvania?

Mr. LEWIS. I yield to the Senator from Pennsylvania.

Mr. KNOX. May I not inquire of the Senator from Illinois if the same reasons will not always exist for the States' existence that existed at the time the States were created?

As I recall, some of our most friendly critics, at the time of the formation of this Government, predicted that because of the vast area of our country—and it is much more vast now, probably three times greater in area than it was at the time of its formation—because of the necessary differences in climatic conditions, because of the differences in the habits and necessities of the people, because of the great mountain ranges and other physical divisions which appeared to cut this continent up into territory that would naturally be under different sovereignties, this Republic could not endure.

But the answer was made at the time that all these local things—these questions of ministering to the wants of the people of Texas, which were not the same as those of the people of Maine, or the wants of the people of Florida, which were not the same as those of the people of California—being committed to the States, which could locally govern within their boundaries, that constituted the cohesive bond that was going to hold this country together practically perpetually.

I ask the learned Senator from Illinois if those reasons are not as great to-day as they were at the time they induced the formation of the Government upon its present basis?

Mr. LEWIS. Mr. President, any inquiry from the junior Senator from Pennsylvania is not only pertinent, but we who know his character and information respond to it with the consciousness that it is always important. This much, sir, must be conceded in his premises: There were those at the early foundation of the Government who despaired that the Republic could exist in the form of separate sovereignties. They were very far apart, and, as the Senator says, it was charged that they were very discordant and diversified, indeed, conflicting in their interests. True, there were those who insisted that some of those localities were not fit to exist as States. Mr. Webster, for instance, could not see the great western prairie except as a land to be abhorred, not as one to be cultivated and to exist in the form of States.

I say to the Senator, I think the reasons do exist. I say to him he is accurate, and the spirit in which he speaks is one that ought to be preserved, from my conviction; but I am compelled to point out to him the movements of the time, and to remind him that from the day of which he speaks up to some years ago the Supreme Court of the United States, the final arbiter in all these matters of conflict, recognized those sov-

ereignties as having some existence of government, and recognized them as being able to protect their own diversified interests, and allowed them within their own gates to administer their own affairs unhampered from the Federal Government or from the outside—that is, from other States. But I must remind the eminent Senator that in the latter years the Supreme Court of the United States has denied any State of the Union, in reference to transportation or any other subject matter that is indulged across its State lines, a sovereignty of government, and has practically left the State a mere province of the Federal Government in which the Federal laws are to be administered.

May I remind the Senator, eminent lawyer as he is, and once Attorney General of this country, to the pride of the profession, that the Supreme Court of the United States has only lately held that even in the case of a railroad within a State, because it has lines that make connection with roads outside of the State, the local regulation of that local institution is void when it runs counter to something that the Interstate Commerce Commission has held upon a similar subject, for that it related in the nature of things to the disposition of that which did cross State lines and was connected with other States.

Mr. KNOX. But, if the Senator will permit me again—

Mr. LEWIS. Certainly.

Mr. KNOX. I quite agree that in certain directions the tendency toward centralization has gone so far that there is practically not a shred left of State authority. Of course it is well known that under the commerce clause of the Constitution this great progress has been made, and I am willing to concede that in dealing with the transportation interests of the country they have at last become absolutely centralized. But the point that I desired to make a moment ago was this:

I wanted to challenge the statement of the Senator from Illinois, as I understood it—and I think I am correct—that there no longer exist reasons for the States; that we have at last gotten into a condition where there is no legitimate reason why the whole of the Government of the American people should not be centered in the United States.

I called the Senator's attention to the reason why the States were created. I called his attention to the fact that there must be some localized government to deal with purely local interests; and in my judgment those reasons are greater to-day than they were when they impelled the fathers to create this Government upon its present model. If the Senator from Illinois is willing to do so, I should like to have him state more at length why he thinks there is no reason for the existence of the States.

I can imagine, Mr. President, that the time may come in this country when the American people will be convinced that there may be reason for resorting to arms to preserve the States, as there was at one time to preserve the Union. I regard the maintenance of the function of the States as that function has been exercised, and for which they were created, as being as important as any other institution of our Government.

Mr. LEWIS. Mr. President, I would that there were more students of government such as the eminent junior Senator from Pennsylvania, and I would, sir, that there were others who had his conviction and would execute that conviction in high places. I agree with the Senator there has been a school, a political school of mind, sir, for which I have fought, but I am compelled to say again, sir, that those in power in this Government have left us now little reason for the continuation of a sovereign thing, or a thing called sovereign, which we term a State.

It may be, sir, that, as the eminent Senator says, wisdom will come back to us, justice return, and that these localities will be treated again as having a governmental existence justified in themselves and worthy to be defended.

I remember in the celebrated case of White against Texas—Seventh Wallace, I think it was—the Supreme Court of the United States, in making a splendid definition of it, referred to them as indissoluble agencies, and referred to them as sovereign States of the indissoluble Union. But we can not overlook the fact that since then, in nearly everything that the State government has assumed to do that could be said to be sovereign in character, the Federal Government, in some form or another, has so ignored it as to leave the States, as I have remarked, without a reason for their professed sovereign existence; and I was pointing out, as the eminent Senator will recall, how the trend of the times was repealing the State.

Let me go further, sir—it may shock you, knowing, as I do know, the eminent Senator's regard for the Constitution—likewise the trend of the time and events seems to me to be repealing the United States Constitution. It is a new era to which I am alluding setting upon us. It mostly calls for a new constitution.

Now, I want to meet a proposition of the eminent Senator from Pennsylvania, which, I think, is most worthy of thought, and that is that there must be some form of government, local of character, to administer to those particular needs local of nature. I remind the eminent Senator, as I do the Senate, that when the fathers laid the foundation of this Government and gave to the States a sovereign character of government, to which he alludes, many of them then and for years after had not the population or government of many of our small cities. To-day, I may say to the eminent Senator, our form of government has changed. Instead of going to the legislatures of the States for incorporation acts to incorporate a city or to have a street railroad or a corporation, so termed, incorporated, nowadays a charter is voted by the people themselves in the different municipalities, and whatever power they wish to take to themselves they do it by their own voice—by their own vote.

Therefore, I say to the able Senator, my vision as I see things, however much I may fear its consequences, is that the local government that will now take the place the State formerly held as to local institutions, or personal government, which has been so usurped by Federal rulings, Federal policy, and Federal extension, will be the municipality. It will serve in a local sovereign character through its own charter, a private or local government necessary to the welfare of the citizens in all local matters in which the citizen in his home is concerned.

That seems to me to be the trend of the future and looks to me now the end to which things are tending.

Mr. President, I appreciate the interruption of the eminent Senator, because it is a very interesting question. I did not intend to get so far afield. I certainly did not will to take so much time; but I thank the Senator for letting me make more clear my views, lest it might be misunderstood if left without explanation, without the general discussion that has followed through the appropriate interrogation.

Mr. President, let me address myself for one or two moments to some opposition to this bill. The eminent Senator from Iowa, the senior Senator [Mr. CUMMINS], has pointed out at very great length, and I personally witnessed the amount of industry—the assiduous industry—the tireless energy that he brought to bear in the investigation of some figures which he presented here to the Senate. The Senator says that the property of these roads, together with their earnings, disclose very clearly that we are not getting a security for the amount of money we are advancing; to the contrary, that much property is being put upon them that is worthless and much money we are giving to roads which have behind them, and will have, no security as gathered from the reports of their earnings.

The very thorough senior Senator from Nebraska [Mr. NORRIS], fortifying this viewpoint, likewise presented tables of his own to justify this form of objection.

I think, Mr. President, much must be said in favor of it; that it may be true that the disclosures of the road show that in many instances there is not a property earning that has now so much space and paper value as full security for the money we are advancing. But I ask all these Senators to hearken to the speech of the Senator from California, the junior Senator [Mr. JOHNSON], and ask them if they will not agree with him that that condition is largely due to the way those roads were managed, to the great expenses which are piled up, to use the figure of the Senator which I regard capable for them, piled mountain high, the excessive salaries they pay, many useless appendages which took a form of title and assumed a social superiority in the places where they live, and domination of legislators and purchase of judges, a form of extravagant outlay, vicious and corrupt expenditures, indulgences of a nature that need not be described at this time, but which in their saturnalia were vicious and nothing less than criminal.

I take it, eminent Senators, that with these things cut away, cicatrized, with these things dissected, removed, the Government coming into the management, these expenditures will be so eliminated that the earnings of the roads will rapidly rise to the point where the eminent Senator's objection to this bill on that ground would be no longer applicable.

But I am compelled to say to Senators if the objection is well taken, and as I think in some instances by comparison clearly it was, should they view the bill only as a loan, merely to give money to roads for money in return, ultimately to be foreclosed in the form of a mortgage, then it must be said that the diligence of Senators in pointing out the insufficiency of these securities is to be commended. If they see opposition to the bill on that ground, that opposition can not be overcome by these reports of the railroads.

But, Mr. President, I invite the Senate's attention to a homely illustration. Here is a building across the street valuable, the land upon which is very valuable, it is acceptable for residence,

but those who have managed it have managed it so badly that they have not brought forth an income from it. They have dismembered it generally. They have left it dismantled; they have created a plague upon the building. They could not get any tenants; it could not produce a paying income. Would that be a good reason to urge against those who wanted to possess the building, who could give it industrious attention, who by rehabilitating it could rent it out in every room and draw a sure income and profit from it? I can not think so.

Thus I view this bill, Senators. I may be in error, amenable of course as I am to mistakes, but in this bill that apprehension was had in a part of the bill in committee as I helped shape it. I feared the opposition to the bill we should find with these deficiencies pointed out by these industries, Senators, when we take the property which is the property that is the security, but under our management we will make it pay for itself doubly and over doubly, because we rid it of that incubus that has so long been fastened upon it in a vampire form as a fungus growth. That will no longer occur; it will no longer plague and destroy it. For that reason, sir, admitting the objection of the eminent Senators, I say it will be overcome by the mere transfer and change which the bill contemplated.

Mr. KING. Mr. President—

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Does the Senator from Illinois yield to the Senator from Utah?

Mr. LEWIS. Gladly.

Mr. KING. As I understand the Senator, he justifies this legislation, in part at least, because he believes that the operation of the railroads will be much more efficient and economical in the hands of the Government than under private management; and I deduce from his remarks that he supports the contention of the Senator from California [Mr. JOHNSON] that the Government ought to own the railroads, because it will operate them with greater efficiency and economy, than the present owners can or will operate them.

Does not the Senator know from his large experience in public life, from his extensive acquaintance with governments, ancient, medieval, and modern, and particularly our own Government and our own States and municipalities, that whatever work or enterprise the Government undertakes, whether the improvement of rivers and harbors or the erection of buildings—indeed, whatever it touches, the cost has been greatly in excess of what it would have been under private management and ownership? Does not the Senator know that notwithstanding there have been mistakes, and in many instances extravagancies, it is claimed by railroads that 75 to 95 per cent of all industries of the United States which have been chartered have gone through the bankruptcy courts or have been reorganized because of mismanagement, that the railroads present perhaps a better picture than the private enterprises of the United States that arose under corporate authority, and have been the subject of corporate control and management?

Mr. JOHNSON of California. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from California?

Mr. LEWIS. At this time, if the Senator from California desires to respond to the Senator from Utah.

Mr. JOHNSON of California. I wish to suggest simply one very brilliant example quite contrary to what has been suggested by the Senator from Utah, the history of the Panama Canal. The greatest engineering feat ever undertaken by man was built governmentally and built for a less sum than private enterprise could have done it.

Mr. KING. If the Senator will pardon me—

Mr. LEWIS. I, of course, yield to the Senator.

Mr. KING. I wish to dissent absolutely and unqualifiedly from the statement made by the eminent Senator from California. I submit, Mr. President, that that canal could have been constructed for 50 per cent of what it has to date cost the Government. I have not time nor opportunity to go into that now.

Mr. KNOX. Mr. President—

Mr. LEWIS. I yield to the Senator from Pennsylvania.

Mr. KNOX. I crave the indulgence of the Senator from Illinois for just a moment.

Mr. LEWIS. I yield gladly.

Mr. KNOX. I who had something to do with the Panama Canal can not allow that statement to pass unchallenged. I wish to say to the Senator from Utah that there has been nothing in the last 15 or 18 years to which I have devoted as much attention in all its phases as to the Panama Canal. It happens that the canal would never have been constructed at Panama if it had not rested upon my own opinion as Attorney General of the United States that there was a good and sufficient title to be obtained. Otherwise, under the provisions of the Spooner Act it would have been built at Nicaragua.

It happened that I was on the Canal Committee of the Senate when we decided the present type of the canal, taking up all the engineering questions and all the questions of cost and passing on the difference between the propriety of building the present lock type and a so-called sea-level canal. It also happened that I was on the side of the minority of that committee in favor of the present type and was appointed to conclude the argument in favor of the minority report.

What I am stating, Mr. President, I am not stating boastfully, but for the purpose of telling you the basis of some of my information.

It likewise happened that after the Senate had been polled and it had been determined that the sea-level type had a comfortable majority, when the vote was taken the present type won out, and several Senators did me the compliment to make the statement that they had been convinced by my argument.

I might go on and tell you half a dozen other very important relations that I have sustained to that project. I happened to be in the Cabinet when the question of construction came up, when tentative bids from private parties were considered, which were so overwhelmingly beyond anything that the engineers had informed us in committee that the work would cost that President Roosevelt decided that he would dismiss all idea of private contract and make no further consideration of proposed bids, but that he would send Gen. Goethals to Panama and tell him to build the canal, and he did build it. I also happen to know a great deal about the construction of the canal; for instance, the building of the Gatun Lock and those great gates, which are the wonders of the world, and I am perfectly certain if the Senator from Utah makes the investigation it will convince him that the canal could not have been built for less than it cost the Government, and he would find that it would have cost 50 to 100 per cent more.

Mr. LEWIS. Mr. President, I am glad to have had this contribution made to the debate.

Mr. JOHNSON of California. Mr. President—

Mr. LEWIS. I yield to the Senator from California.

Mr. JOHNSON of California. May I adopt what has been said by the distinguished Senator from Pennsylvania concerning the Panama Canal? It answers conclusively the vigorous dissent of the Senator from Utah, and refutes conclusively his animadversions upon that marvelous, efficient, and economical construction by the Government.

Mr. LEWIS. Mr. President, this much must be said before I respond directly to the query of the Senator from Utah: It has been published through certain railroad engineers—the statement that the Panama Canal could have been constructed with more effect and the slides averted, and these charges have been made in certain quarters. It is a very natural thing for the Senator from Utah to have his mind addressed to that early cost, because of those general publications; but the Senator from Pennsylvania, giving some definite reply to that, may disclose information of greater accuracy, we can readily conceive, and we can use the Panama Canal as a fitting illustration of some Government operation. But I do not have to enter into that, because I may amuse both Senators—the Senator from California and the Senator from Utah, who opposes his view—by saying I differ from both of them. I do not agree with the eminent Senator from California on one phase nor with the Senator from Utah upon the other. I am not at this time, sir, an advocate of the operation by the Government. I am for the ownership by the Government, the control by the Government, and then the matter of the operation of each piece of property and the need of the Government.

Mr. SHERMAN. Mr. President—

Mr. LEWIS. I will yield to my colleague in a minute. If it were better that we should contract any particular operation through lease, I would regard that as a privilege of the Government. If it would be better it should be done through private contract, without regard to lease, I would approve it. If the Government found an instance where it could operate itself, and could do so by first disclosing that to its representatives and have it work on whatever commission might be constituted, then that, sirs, would meet my approval.

I decline to adopt the hard-and-fast rule of a Government operation of public utilities merely because it may own the utility, and I now want to say, sir, I gave to this subject as full investigation as my limited industry and capacity would afford. I happened to bear the position of legal officer of the city of Chicago when we were taking over the railroads. That is a great municipality, larger than many States of the Union in its population. Finally, sir, we reached a system of city ownership of property, but allowing it to be operated by private operators under an agreement and understanding with the city. Then later that was amended and changed, but in some form

it now continues. During that time, not being convinced by something that the Senator from Utah has said, something that my eminent colleague yesterday referred to in respect to the Governments of Europe, a certain form of political management can lead to the defilement and certain destruction of it, and oftentimes a corruption of it. Then I answer the Senator saying specifically, sir, because some Governments have shown their inability to conduct these large enterprises with cleanliness and honor is no proof that we would fail or those same Governments have failed to conduct their private affairs, their loyalty, or patriotism by the standards of honor. Yet, sir, that would not argue that we would also be deficient in the same thing. Let me advise the Senator from Utah of a thing that arises in my mind. When it was assumed that we would build the road in Alaska the same objections were heard. It will be recalled that when we had to establish a cable by the Government the same objections were urged. When the Post Office Department was inaugurated the same objections were heard. I remind the Senator when the Federal reserve bank as a governmental institution was presented on this floor eminent Senators presented the terrible picture of my eminent friend from Utah. When the Farm Loan Board was presented ably by the junior Senator from New Hampshire [Mr. HOLLIS], setting forth its operations to benefit mankind, we had the same form of objection.

You will remember, Mr. President, that when there was presented on this floor legislation to provide for the insurance of ships by the Government the same forms of objection were raised; and when there was presented only a short time ago a bill to provide for the insurance of the soldiers these objections were revived, repeated, reaccentuated, reemphasized, and the same mournful prophecies were indulged in, until the atmosphere of the room was a cloud of danger. True, there have been some instances, as the Senator says, where there has been laxity, but because there has been such laxity in a few instances is no proof that it will occur in all.

My eminent colleague from Illinois yesterday adverted to certain Governments of Europe which had failed in their operations, but he could have well recalled that these same Governments failed in the administration of their local affairs so corruptly that many of their members were sent to the penitentiary because of their offenses.

Mr. SHERMAN. Mr. President—

Mr. LEWIS. I yield to my colleague.

Mr. SHERMAN. Mr. President, I want at this time and place to file a plea of equitable set-off of Hog Island against the Panama Canal. [Laughter.]

Mr. LEWIS. Mr. President, I know—

Mr. HOLLIS. Mr. President, will the Senator from Illinois yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from New Hampshire?

Mr. LEWIS. I yield to the Senator from New Hampshire.

Mr. HOLLIS. I should like to direct the attention of both Senators from Illinois to the fact that the money being spent on Hog Island is being spent under private contract and not by Government officials.

Mr. LEWIS. Mr. President, in reply to my colleague's statement, in which he wishes to offset Hog Island against the Panama Canal, and does so as a matter of plea, I recall that, in the ordinary usages of court practice, if one does not wish to proceed under that plea, he moves to strike it out; but I would do it no such injury. I rather think it is timely to tender it for contemplation and for the reason that the junior Senator from New Hampshire [Mr. HOLLIS] gives, that it is a marvelous illustration of how the Government, advancing money upon the confidence of men engaged in private enterprise, could be so deceived by them, and of how, to use the words of the junior Senator from California [Mr. JOHNSON], under the guise of patriotism, men could have so pillaged the Government, defiled their own honor, and debased the Republic before the world. Mr. President, in this place I would do no injustice. I will not sit in judgment on any matter that is now under inquiry, and I will qualify my statement by adding, "if the reports in the public press be accurate."

Mr. SHERMAN. Mr. President—

Mr. LEWIS. I yield to my colleague.

Mr. SHERMAN. There has not been a dollar paid on the Hog Island project that has not been paid by Government authority and under Government inspection. Even the piles that have been driven were inspected by Government authority, but when the work was rechecked it was found to be 25 per cent deficient. It is true, as the Senator from New Hampshire [Mr. HOLLIS] says, that some private interests probably have not performed their full duty, but it is a Government undertaking,

and ought properly to be set-off here against the one isolated successful Government undertaking, namely, the construction of the Panama Canal. The only instance I know of in the history of the United States where the Government undertook a great work where the taxpayer has not been cut clean to the bone is the Panama Canal, and that was constructed under most unusual conditions, by the exercise of very great vigilance, in a time of peace, with subcontracting at the lowest possible limit, with labor and material provided under the most favorable conditions, and with the vigilance of the executive department and all of its distinguished helpers exerted to the utmost. Under such conditions as never were presented before the Panama Canal was built, and to cite that achievement as an instance of what the Government can do is a good deal like the frequent undertaking to prove that the Government can do anything. It has never done anything successfully of an essentially private nature except in the one instance, Mr. President, of the Panama Canal, cited here this morning. I can cite everything from the beginning of civilized government down to date, from the beginning of the Christian era until the Panama Canal was constructed, and can demonstrate that in no time has the Government ever, as compared with private enterprise, efficiently performed anything. It has not even in time of peace taken care of its own departments without permitting itself to become entangled by a red tape that can only be removed by criticism of men in authority even in time of great public peril. If we had undertaken anything of this kind in time of peace it would have been a fair test, it is said, but in time of war, when vigilance and promptness are required and when every public interest should be bent to the performance of the public service, we, by committees in this body, have been compelled to investigate and to remove the impediments that have been encountered because of the lack of energy and of ability in peace times to perform necessary functions by this Government. Yet, Mr. President, the Panama Canal is held up as an instance of Government efficiency.

Mr. JOHNSON of California. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from California?

Mr. LEWIS. If my colleague has finished—I do not want to interrupt him—I will yield to the Senator from California.

Mr. JOHNSON of California. Mr. President, again I beg pardon of the Senator from Illinois for an interruption and the encroachment upon his time. I will not occupy his time to discuss what governments may have accomplished from the dawn of civilization. I am very glad that in the one instance challenged, namely, the Panama Canal, the work is admitted to have been performed well by the Government. As one of the Members of the Senate familiar with Hog Island developments, I want to make plain that the Hog Island situation results not from the Government doing the work but because the great financial interests and the great captains of industry of the Nation are doing the work, and doing the work as private contractors under a Government contract. So, unfortunately, Senators can not offset one against the other the two instances before us—the Panama Canal and the Hog Island scandal.

Mr. CURTIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Kansas?

Mr. LEWIS. I yield to the Senator from Kansas.

Mr. CURTIS. I think, in justice to the situation, that it is only fair to state that when the Panama Canal was first suggested it was estimated the cost of its construction would only be \$110,000,000. The estimate was afterwards increased to \$250,000,000, then to \$300,000,000, and before the work was completed the cost ran up to about \$500,000,000.

Mr. KING. And let me say, Mr. President, if the Senator from Illinois will pardon me, that the work is not yet completed.

Mr. SMITH of Michigan. And it never will be so long as the canal passes through an area where earth slides occur from time to time.

Mr. LEWIS. Did the Chair inquire if the Senator from Michigan desired me to yield?

Mr. SHERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield; and if so, to whom?

Mr. LEWIS. I will yield gladly to the Senator from Michigan, if he desires to proceed; otherwise, I yield to the Senator from Illinois.

Mr. SHERMAN. Mr. President, I want to say as to the Hog Island situation that I do not want to inject that into this discussion now, but I will discuss it in its proper time and place, and find out whether or not the island is improperly named. [Laughter.] It is sufficient to say, Mr. President, my original

proposition, which I stated without any expectation of provoking this encroachment on the Senator's time, was in order to preserve my rights and to give due and timely notice of the equitable set-off that ought to be made, for the Government, I will say, since the Hog Island question became a mooted one here, supervised every step of the work, and if it has not restrained what I consider the avarice and the undue desire to profit on the part of certain private interests it is because of the Government's incompetence and negligence up to this time. It has apparently aroused itself at last, and has I think placed itself in a fair way of checking this undue profiteering; but it remains to say that the Government is in a fair condition there to be deprived of a large sum of money unjustly. Government contracts prove nothing in the construction of the Panama Canal as compared with the vast sums that have been taken away by Government contractors, beginning with the cantonments and running on down to Hog Island. At the proper time and place, on the floor of the Senate, when it is an issue, I shall present the matter at length, when I shall not encroach on some other Senator's time.

Mr. KNOX. Mr. President, may I interrupt the Senator just for a moment?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Pennsylvania?

Mr. LEWIS. I yield to the Senator.

Mr. KNOX. I call the attention of the Senator from Illinois [Mr. SHERMAN] to the fact that obviously he did not catch the emphasis with which the Senator from California [Mr. JOHNSON] referred to the Hog Island difficulty. It seems to have turned out that it was because of the connection with that vast enterprise—vast in every respect; vast financially; and vast materially—of "captains of industry." That seems to have been the trouble down at Hog Island; and I suggest to the Government that if we want to avoid scandal as to these great enterprises, requiring great intelligence and a great expenditure of money, we should hereafter let them out to the corner grocery man or to the blacksmith.

Mr. JOHNSON of California. If we did so, perhaps we might have a greater degree of honesty in the execution of contracts.

Mr. SHERMAN. The whisky ring, for instance, some years ago robbed the Government itself blind.

Mr. LEWIS. Mr. President, as to this conflict between the junior Senator from California [Mr. JOHNSON] and the junior Senator from Pennsylvania [Mr. KNOX], I will leave to Patroclus and Ulysses the settlement of their own difficulties in their own tents. I will, however, refer for a moment, having been drawn quite aside, to the fact that my colleague [Mr. SHERMAN] indicts everything that the Government has done from the beginning of the world to the present time, and seemingly my eminent colleague gives absolution to Government enterprise, only providing it exhausts the whole bloody atonement.

Mr. President, I recognize that on that question there will be many differences and that these differences will remain. This much, sir, I say to the eminent Senator from Illinois, who made his offset of Hog Island as against the Panama Canal, that I understand the Hog Island enterprise—and I use that word, of course, now, with full knowledge of its meaning—if the reports in the public press are accurate, is being investigated; and while that investigation is pending, of course we will not prejudice it. The only observation I can make upon it is that if reports be true, whether the island be properly named, the undertaking seems to have been justly characterized as more hog than island; but we must await the future development of the investigation in order to arrive at the truth, and we will refrain here from rendering judgment against anyone while he is upon trial and leave it to the judgment of those who have been constituted as his triers.

I wish to bring my observations to a close. I fancy I have taken time that other Senators would like to have occupied, and I do not wish to exhaust their opportunity. I shall conclude on the question of Government operation. I have but one other word upon it.

I trust whenever this Government shall make its advent into taking over these great public utilities, which are necessary to the public welfare, particularly those that spring from nature, for the welfare of man, that it will do so honestly, and will do so under the spirit of justice. I trust there will be no indication to any American citizen of a spirit of confiscation; that there will be no money expended by any citizen honestly for stock in any road that will not be justly returned to that citizen. I hope there will never be an aspect indicative of any property confiscated by this Government merely because of either commercial or military necessity; that when the time comes that we shall appropriate it in whatever nature we shall adopt, there shall

be neither pillage nor robbery of any citizen, either of "the captain of industry" on the one hand or the defenseless toiler on the other.

Therefore, sir, when that era shall be ushered in, it will be ushered in within the law; that we will have liberty and justice according to the declared laws and policy of this country.

Mr. President, I therefore say to Senators whether this entrance of Government into this new era of the possession of public utilities shall be begun in order that mankind shall neither starve nor freeze at the dictation of the masters of finance or those who would be so selfish as to demoralize the community for their private gain, or whether we shall take them upon the ground of essential national defense, that we might anticipate such an hour as is already around us, and that which I fear is multiplying far in excess of the present into much more disastrous conditions than any man can at this particular time with propriety describe. Whether from that reason or any other we are upon it, Sir, I dare prophesy to you that in the next national convention, or whatever form the nomination of our President shall take, the one principal issue of the political campaign, as a matter of domestic and home discussion, will be this one of Government taking over these enterprises for the uses of Government when necessary to governmental welfare in the future policy of the Government in that direction. I prophesy that that one question, coupled with those that shall grow out of the war and the peace treaty, will be the great questions upon which our next election will depend and turn. So whether we shall invite it now, eminent Senators, or are prepared to consider it now, rest assured it will be, as I see it, the most important question for your consideration at the next great arbitration before this country as to who shall be its Chief Magistrate—the President of the United States.

Mr. President, I have a conclusion, and I tender it. There are those in the land who fear that in America there will arise the Bolshevik or such a spirit as is now in Russia and as threatens Russia and Europe. Senators, I do not indulge in any such apprehensions. I think we do a great deal of violence to the property of America to let the owners feel that we see such a shadow. We do great violence to our own institutions by intimating that they have now reached a point where they could produce such apprehensions or anything in them could justify such.

Let me assure Senators, as I see it, we have no such fear in America; and the reason: These particular revolts, such as the bolshevik, or in all the world under Marius, Gracchus, or under leadership in China, or that now of Trotzky and Lenin, in Russia, have only sprung up where the land of the people has been so monopolized by a few that homes for the individuals have been impossible, or, as was the condition in Ireland some years past, which is familiar to us, and as was the case also in Poland, where the land was so possessed that every man toiled as a tenant, and what he produced was appropriated from him, so that he had no hope to possess the fruits of his own toil or the blessings of independence. There is no such condition in America. As rapidly as the cities shall fill up and there ensues great competition as to toil, there will be land inviting, land of which you, eminent Senators from the West, so profoundly speak from time to time. Your gates are open from Omaha to St. Paul, out toward Ogden. There lies that great West, ever beckoning on, through to Alaska and Hawaii, where homes are ever ready for 20 generations yet unborn. As rapidly as there shall arise in our cities turmoil and confusion, resulting from competition of labor or discontent, men will move just a little farther into the wider field, into the open area, into the welcoming gate, into the new land, where they will possess their homes, and where they will own the fruits of their industry and enjoy independence. So the condition which makes for these which we call the bolshevik does not exist in our land; and that class of men who revolt under the name of Industrial Workers of the World, or any other euphonious title, to war against every form of government, every form of restraint, all forms of justice, can not justify their action on the ground of a necessity of conditions. It is born of the spirit that does exist in certain mankind against every form of restraint, and which revolts against honest toil, and is ever lodging its protests by assaults waged against the organization of government itself. They present us nothing more than a repetition of those illustrations which have attended all government since it blossomed under the sun and smiled as under the blessing of God.

But, sirs, I do warn you—if I may be pardoned for that admonition—that unless we take some steps as legislators to let the great mass of the people see that these public agencies, created for their welfare, are possessed, dominated, and directed for that welfare through themselves by that agency they call government, they, mistaking the condition, will in one form or

another organize into expressions of revolt or revolution against law, against government, against officials, and breathe here and there spasmodic anarchy from street corners to communities, from time to time unsettling all government, overthrowing all law, destroying every form of organized society.

Nothing, sir, will so compose this country, ward off the possibility of such revolts as we see around us, give confidence to the toiler, infuse a sense of regard in the farmer, and make the public at large feel that this is their Government, as to assure them by our legislation that all of the agencies produced by nature for their welfare have been taken charge of by their great trustee, their Government, to be administered in their behalf, and not to be controlled by private agencies for personal pillage to the denial of public welfare. Then, sir, with this assured, the people will be secure, communities serene, our land restored again to confidence in law, and we will move on as a government of competition in genius—in industry of man, of prosperity of nation, and of glory of Republic.

Therefore I support the bill, because I feel that it opens the era when this Government at last shall announce itself a Government, not a delusion; a Republic of law and justice, not a combination of confusion and disappointment.

I thank the Senate for its indulgence.

Mr. JOHNSON of South Dakota. Mr. President, when the transportation bill, which we now have under discussion, was reported last week, I offered the following amendment:

SEC. 13. That the Federal control of railroads and transportation systems herein and heretofore provided for shall continue for and during the period of the war and until Congress shall thereafter order otherwise.

This amendment simply reinserts the original provision in the bill as it appeared when first introduced, and the importance of retaining this original matter in the bill so as to prevent setting any fixed date within which the Government would be obliged to return control of the railroads to their original owners should be apparent to every Member.

The bill, as amended by the committee, prescribed, among other things, that within 18 months after the close of the war the Government shall return all the transportation lines to their original owners which have been taken over.

Mr. President, as I look at this question, such legislation would not be fair to the public nor to the stockholders of the railroads, because it would not give a reasonable time to the country to practically demonstrate Government ownership, which should be done. Surely no one would be so unfair as to say that during the war period, such as is upon the country today, and during the few months allowed by this bill after the war closes a fair chance could be had to test the wisdom and advisability of this manner of handling and controlling the transportation systems of the United States. And Congress, in my judgment, would do a very unwise thing to prevent by legislation a full, impartial, and satisfactory demonstration of such course by the Government. We have been compelled through lack of efficiency to assume Government control, and now that we have been forced to do this, would it not be the part of wisdom and equal justice to everybody to retain possession of these carriers at least until we could make the most thorough and practical demonstration of this great question, which has agitated the public mind for many years, and forever settle the question one way or the other? It would neither be fair to the Government nor to the railroads of the country to handle it as the bill provides; and when I use the word "railroads" in this connection I want it to be understood that I mean the small stockholders—those who have the actual money invested—because I believe they are anxious to test the advisability of this great undertaking, so as to give them an opportunity to determine whether their money has been honestly and efficiently handled by these great corporations and fair dividends returned in accordance with legitimate profits, honestly earned, if the roads had been operated on strictly business principles.

Mr. President, this is one of the few questions in which, to my mind, we all have about an even start. I assume to know but very little about the subject, and, so far as my knowledge goes, no one in this body has had any practical experience with the question of Federal ownership of transportation systems. The only experience I have ever had along this line is with our Government-owned subway monorail in the basement of this building, and the transportation and fares have been entirely satisfactory to me. [Laughter.] But, as one Member of this body, I would like to see a real practical test of the question. From my observation through life, I have reached the conclusion and desire to place myself on record as favoring Government ownership of railroads, at least until its worth to the people has been fully demonstrated. This is something in our history which is entirely new and untried, and, if we desire, we can give it a thorough trial as to its merits now. We have not

taken control of the transportation lines of the country by force, but by the consent of the railroads themselves, and we are agreeing to pay them a high rate of interest. They are perfectly willing to pass the buck along to the Government to operate them in times like the present, which try the souls of men. We have accepted the responsibility. Why, then, should we be compelled to fix a date when we shall deliver them back?

\* I have been informed by those in a position to know that the practice of many railroads, in building their lines, has been to immediately bond the road for about twice the actual cost of its construction, sometimes more and sometimes less, and then expect them to pay dividends upon the full amount of the bonded indebtedness in excess of the actual capital, as well as the capital stock itself, and also upon this basis go before the Interstate Commerce Commission and present in justification of their claims for rates to the public for transportation and service the same unjust and unfair practice. That is exactly what they do, and they will ask us to do the same thing in our settlement with them.

Mr. President, the argument of those who are opposed to Government ownership is that the Interstate Commerce Commission is empowered to fix rates and regulate traffic in the interest of the people, thereby protecting the public from exorbitant rates. My understanding of the power of this commission is that it may fix rates upon certain classifications, and they may make certain orders, but the railroads may to-morrow change the rates of to-day by simply reclassifying the goods and freight shipped, and we all know that orders emanating from the Interstate Commerce Commission have been violated every day in the year as they existed in the past, and will be violated as long as the transportation systems of the country are in private hands.

The one question of the greatest importance to the country in transportation matters is freight rates. This is a question which will make or break individuals or companies in any line of production, and will make it possible or impossible for small producers to compete with large corporate producers. I refer to the custom for many years past, and still the custom of to-day, concerning the shipment of goods to terminal points—the great centers of the country—at a less rate than for which goods can be shipped over the same line of road to less favored points which are much less distant.

I ask permission to insert a letter in the RECORD which I recently received touching on this point:

SPOKANE, WASH., February 12, 1918.

Hon. EDWIN S. JOHNSON,  
United States Senate, Washington, D. C.

MY DEAR SENATOR: When the Newlands Commission was in session last fall in San Francisco, evidence taken there disclosed that the Interstate Commerce Commission had granted over 10,000 exceptions to the fourth section of the act to regulate interstate commerce.

The granting of these exceptions has been so wide and sweeping that it has gotten to a point now where the exception seems to be the rule of the Interstate Commerce Commission without regard to what the act of Congress may have been.

I want to call your attention to the attached data which is typical of 10,000 commodities on which unjust discrimination is being permitted in violation of the interstate-commerce act.

While illustrative of Spokane and other inland empire cities similarly situated, it will be found upon examination of railroad tariffs that this discrimination is in force upon the same commodity in a varying degree in every city and town west of Brunswick, N. Dak., to Pacific coast terminals, yet Brunswick is nearer New York by 1,458 miles than any Pacific coast terminal.

May we count upon your support of Senate bill 313, which will correct this situation?

Very truly, yours,

W. S. MCCREA,  
Chairman Freight Rate Committee.

This is one of the things which I desire to complain of, as I understand the Interstate Commerce Commission permits this to be done, which must of necessity have a tendency to build up the great centers and large interests at the expense of the intermediate territory and its business men, upon which we are depending to-day to feed these great centers and the world. Surely this sort of discrimination can not appeal to fair-minded people as being just and equal. No man enjoys being robbed under the same Constitution which says he shall not be, and that is exactly what has been the general practice for years past, under the system of private ownership of transportation. The same plan of operation applies to passenger fares, which is, of course, of much less importance to the country, as it only affects those who travel, while the question of freight rate affects all; but the same principle is involved in one as in the other. I can go down to the station here in this city to-day and buy a first-class railroad ticket from Washington to Chicago for the same money it would cost me to travel to a point 25 or 50 miles this side of Chicago, on the same road and on the same train. Things of this nature are in accordance with the system of private ownership as it exists to-day. They are neither fair to the public nor to the stockholder, and in no sense do they conform to justice, but discriminate in the interest of the more

favored few. Other practices of privately owned railroads may be likened to a wheel within a wheel. Companies are built up by the managers, such as town-site companies, steamboat and ferry companies, trolley lines, wharves, and so forth, and various other business ventures of a like nature, which make the manipulators rich at the expense of the stockholders and the public.

The ordinary stockholder of a railroad knows just about as much concerning its management, in my judgment, and what they may expect next, as I know or you or anyone else. They are called upon to send their proxies to stockholders' meetings to be voted, as many do not feel that they are justified, on account of their small holdings, to spend money to attend these meetings. These proxies are voted by the manipulators of these railroads for whatever program they want to put through. And so, I submit to you, that it is not fair to the real owners of the railroads, the small stockholders, to not give this matter of Government ownership a very thorough trial when we have the power and right to do so.

I can not believe, Mr. President, that the Congress of the United States desires to handle this great subject and go on record as not giving the people a fair test of this great question, and do not as yet believe it. Efficiency at the least possible expense to them is what the people of the country demand in transportation and what they are entitled to from us, as far as we have the power to act, and surely with the unsettled conditions which will exist after the war is over, operation for a few months, as provided in the bill, would not give us a fair trial. I would rather turn the carriers back the next day after the war than set a fixed time when we must do so, for such a course would only add to our enormous expense without any chance for returns, and would not afford an opportunity to demonstrate the wisdom of Government management.

The opponents of this amendment, and of the bill for that matter, will argue that public ownership of the transportation system of the country is directly contrary to the fundamental principles upon which this Government rests. That argument should have little weight, because, if we demonstrate that this important business can be handled to greater benefit for the people than it has been handled, such argument must naturally fall by the wayside, as it will. Again they argue that political influence will be a serious objection. Such conclusion, as well as the former, should have little consideration in the public mind, and they do not, because, if the railroads in the past have been handled by high-minded, public-spirited men as individual financial enterprises, as has been claimed, surely they would be handled by as equally high-minded and patriotic men on behalf of the Government, because in the one case undoubtedly we are forced to admit that they have been operated for personal profit while in the case of Government ownership no such claim could be advanced. Again, we admit, a necessity exists; otherwise Congress would not have given the President power to take over the transportation business of the country, and it did a wise thing when it gave him that power. Certainly, then, Congress should be willing to enact a law in which it can trust itself in saying when it would be best for the country to turn the railroads back to their original owners if ever. The transportation lines of the United States should be public highways for the use and benefit of all the public. They are the main arteries of trade and commerce, extending from one part of the country to the other, building up the country and making us a great Nation which loves liberty and equality, and these lines should be for the benefit of the public in all that the word implies. They should stand in the same relation to the public as does the public roadway upon which we travel every day. Is there anyone in this body who would permit the ordinary highways and roads of this country to be owned by corporations? No one would consider such a thing for a moment. How, then, can we best serve all the people should be our constant study with regard to these matters and be given our most careful and serious consideration before acting upon this important question.

One immense saving, which I can see in lessening the cost of operation of transportation companies by the Government would be to eliminate the thousands of highly paid officials, lobbyists, attorneys, and certain employees in various capacities, who are a surplussage to actual needs and a dead load to the railroads themselves, costing millions of dollars each year. But this policy has grown up with the system, and they are unable to change it. This item takes that much from stockholders and the public. If the opponents of this amendment are sure that Government ownership is wrong they should at least be fair enough to their constituents and themselves, who are vitally interested in this matter, to give it a chance to be fairly tried as to its practicability and to give the necessary time in order to do it. If we find, after a fair trial, that it would be a failure, I for one will acknowledge my mistake and vote to return these transpor-

tation companies to private ownership; but I first want a chance and a reasonable opportunity to be given in order that we may all know from practical experience and demonstration just what Government ownership would do for us.

No question to-day, aside from the great conflict in which this country is now engaged, is of such importance to every man, woman, and child in America as is this question, because it directly affects every one in some way. The business man, the laboring man, the man on the farm, and the man in the factory all have been made to contribute from their daily labor something unrighteously taken from them to sustain and perpetuate a system, which permits a few men to grow rich at the expense of the poor man and his family.

We have taken, and will take, millions of our best young men from their homes, positions, and professions, depriving many of them of their best years for accumulating savings for the comforts of life when they are old, destroying in many cases the support of families, and send them into the ranks to uphold and preserve the Nation. Let us hope that by and by thousands and hundreds of thousands will come back to us. We will thank God for that day. These men will then be forced to take up the battle of life anew. Do not you think we owe it to them to assist in starting them in civil pursuits again with the best possible economic chance we can give them? If you do, you should vote for this amendment. Let us try the experiment fully and not tie the hands of the Government in this great undertaking and important matter before starting; and if we find it is best for all the people of this grand old U. S. A., not one of us would favor returning the transportation lines under Federal control to private hands. You would rather keep them and pay a reasonable and fair compensation to their present owners as soon as we could.

Let me present what the representatives of over 2,000,000 workmen say on this point, and I ask to have it inserted in the Record in connection with my remarks.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

*To the Members of the Senate and House of Representatives of the United States.*

Being fully cognizant of the seriousness of the crisis confronting our country and realizing the dangers besetting our liberties, it is the honest, earnest desire of the railroad employees to give our full, loyal, and united support to our Government and to make certain, clear, and decisive the conclusion of our aims. Therefore we desire to make effective all the agencies of the Government, and we fully appreciate that the question of transportation is one of the important factors at this time.

While we are pledged to, and hereby reaffirm our pledge of, loyalty and whole-hearted support to our country, our Government, and our President during this war, we are aware of the seriousness of the situation that inevitably must follow immediately after the close of hostilities in the readjustment of conditions in the United States; and whereas the Government of the United States has, by proclamation of the President, assumed control of the transportation systems for the period of the war, with which we are in accord, we believe that full time should be given after the close of hostilities to enable just, fair, and impartial determination of the proper methods of adjustment of the rights and equities of the public, the owners of the transportation lines so taken, and of the employees thereof; and as representatives of nearly 2,000,000 employees of the railroads of the United States we most earnestly and respectfully petition the Congress of the United States not to fix a time limit at which the railroads must be turned back to private ownership, leaving this question for future determination, and thereby giving ample time for the adjustment of matters growing out of the temporary control of same, with equal justice to all parties at interest.

Very respectfully,

H. E. Wills, A. G. C. E. and national legislative representative Brotherhood of Locomotive Engineers; P. J. McNamara, vice president and national legislative representative Brotherhood of Locomotive Firemen and Engineers; W. M. Clark, vice president and national legislative representative Order of Railway Conductors; W. N. Doak, vice president and national legislative representative Brotherhood of Railway Trainmen; A. O. Wharton, president railway employees' department, American Federation of Labor; Martin E. Ryan, grand president Brotherhood Railway Carmen of America; J. A. Franklin, president International Brotherhood of Boiler Makers, Iron Ship Builders, and Helpers of America; F. J. McNulty, president International Brotherhood of Electrical Workers; James J. Hynes, president Amalgamated Sheet Metal Workers' International Association; J. W. Kline, president International Brotherhood of Blacksmiths and Helpers; Wm. H. Johnston, president International Association of Machinists.

Mr. JOHNSON of South Dakota. Mr. President, I come from the great Middle West, where the people have been robbed by the railroads for so long that they consider it a matter of course, and have almost ceased to expect any relief, and I feel sure in speaking as I do, in so far as South Dakota is concerned, that almost the entire country would desire that the question of Government ownership of railroads be most thoroughly tested now. I am fully aware that the Interstate Commerce Commission has tried to do its duty in relieving the people of this unjust burden. Its members have worked hard,

diligently, and faithfully; but with the vast amount of work upon their hands, if one should take up personally the claim of any small shipper with the commission to-day, he should be young when he started in, for in the ordinary course he would be dead before a ruling was made and the provisions of such ruling had been carried out by the railroads. This is the first time in its history that the United States has ever had a chance to determine this question, and we will fail in our duty as the Representatives of the Nation and the several States if we hesitate to go thoroughly into the wisdom of it.

I am a firm believer in the doctrine of letting the people know where you stand on any public question in order that you may have their advice and counsel. Viewing this subject as I do to-day I unhesitatingly desire to go on record as being a firm believer and an advocate of the principle of Government ownership of railroads, believing it to be for the best interests of all the people of the country and that it will bring to them great relief on all questions in which the past system of railroad management has entered into our business life.

Mr. President, there is another great economic question in connection with this subject, as I see it, linked to it by natural conditions, and that is the great labor question. As I look at this subject, it has much to do with my conclusions relating to Government ownership. I can not see why it would not be one of the strongest factors in settling this great question, which could possibly be put into practice. I believe that it would go a long way toward solving this problem, and as I view it, the labor question is the next great and important question which we must face. So I ask you to think about this in connection with the subject matter now before us.

As I have said, the management of the railroads has been taken over by the Government with the consent of the railroad managers themselves, for which we are to pay into their treasuries during the war a consideration based on respective rates of dividends during the three years ending June 30, 1917. These managers doubtless knew, as we all do, that the roads had not been and could not be handled satisfactorily to the general public. At least they were not giving the public the conveniences of travel heretofore enjoyed. Is it not that they may try to make Government control as unpopular as possible for the purpose of demonstrating to the people that if adopted in its entirety it would be a failure? Mr. President, I do not accuse the managers of the roads of having this object in view, but I will say to you that I would not be surprised had they considered this question fully, which, if successfully carried out, would tend to hinder the favorable consideration of this subject, which has constantly been growing in the minds of the people for a number of years. I have had a number of instances cited to me, from which I have arrived at the conclusion that this is possible. A Senator told me the other day that when he was coming down from New York there was no water in the Pullman car in which he was riding and that it was necessary for him to walk three cars ahead before he could get water with which to wash his hands and face. An agent at a small railway station in South Dakota, I learn, had his salary cut 65 cents per day and the depot was ordered closed at 4.30 in the afternoon, after which hour each day no freight would be received for shipment. A number of other instances of similar character have been reported. My purpose in mentioning these small matters is to place conditions as I see them before you for consideration.

There are many evil practices which a change in the policy of transportation ownership would affect and entirely eliminate in the country. There would be no pooling of stock; no dividing up of territory where railroads should be built by any gentlemanly agreements at the expense of millions of producers; no monopolization of stock to exploit it; no discriminatory rates; no bond issues for twice the cost of construction; no small stockholders fleeced out of their holdings through bankruptcy proceedings; no fluctuation of stock to catch the suckers. These things would all be wiped off the slate and in their place would come stability of market values, equality of stockholders composed of all the people, just treatment for the many who have suffered greatly in the past, and the rights of all the people of this great Republic. I will admit that it might hurt some; it might affect a few stock brokers; it might affect the great gambling centers of the country; it might compel some of the railroad manipulators and so-called great captains of industry to go at some kind of honest work; but those who have suffered long at their hands would not be apt to shed any tears at the new order of things, and so I hope you will vote for this amendment, or one of like character, which does not fix any definite time in which the Government will be compelled to turn the roads back to their original owners.

In conclusion permit me to say, Mr. President, that I believe the provision contained in my amendment is fair and right, and by its adoption justice will have been done to all the people.

Mr. HARDWICK. Mr. President, in the act approved August 29, 1916, the Army appropriation bill of that year, Congress enacted the following provision:

The President in time of war is empowered, through the Secretary of War, to take possession and assume control of any system or systems of transportation or any part thereof, and to utilize the same to the exclusion, as far as may be necessary, of all other traffic thereon for the transfer or transportation of troops, war material, and equipment, or for such other purposes connected with the emergency as may be needful or desirable.

The emergency, however, to which Congress referred was the trouble with Mexico and the presence upon the borders of this Republic and the Republic of Mexico of a large number of American troops. Yet, because the language employed by Congress was general in its terms, two and a half years after the enactment of a provision which was intended to apply to an entirely different situation the President of the United States by proclamation undertakes to take control of and operate the entire railway system of the United States.

I need not say that I share the very clear and forceful opinion expressed on this floor yesterday by the junior Senator from Alabama [Mr. UNDERWOOD] to the effect that the legislation under which the President assumed to act not only did not mean to authorize him to take the action he has taken, but was utterly and absolutely invalid if any railroad in this country saw fit to resist it, because our Supreme Court in adjudications that are unbroken has uniformly decided that Congress can not take over private property for public use without providing for just compensation therefor in the act that authorizes the taking over, and no such provision as that was made in this act. It is therefore apparent that the railroads are not being taken over and have not been taken over against their will or without their consent. Indeed, no well-informed man will controvert the statement that the reasons for this action have not been primarily connected with this war and are largely if not almost entirely financial.

It is true there has been congestion in the railway systems of the country, but how is that congestion to be relieved if the same men are to operate the railroads under Mr. McAdoo? It is true there has been some trouble about pooling and about traffic directions, but it was not necessary in order to cure either of those troubles to take over and operate the railroads of the country. Possibly without any additional law, probably, however, with some slight changes of statute law, the Interstate Commerce Commission or any other tribunal that Congress wished to vest with the authority could be given the power to make these necessary pooling and traffic arrangements and directions without any necessity whatever for the Government to operate the railroad systems of the country.

Mr. President, the real reason for this transaction, for the proclamation of the President of December 28, 1917, assuming to take control, assuming to operate the entire railroad systems of the country under this act of Congress more than two years ago, which was never drafted for any such purpose, is financial. Yet that reason is of such overwhelming strength that it can not fail to appeal to every one of us, and it will not fail to appeal to the country when the country understands it.

The railroads have a bonded debt maturing, according to the report of the committee, one hundred and eighty-eight million and odd thousands—hundreds of thousands—I will just read the millions—in 1918; \$188,000,000, in round numbers, in 1919; \$186,000,000 in 1920; and \$440,000,000, nearly \$441,000,000, in 1921.

Mr. President, it has been thought that because of the Government demand for money to carry on the war and of the necessity to float the different issues of bonds that have been already floated and that must be floated in the future, the money market would not respond in a manner sufficient to enable these railroads to meet these maturing obligations, and therefore that it was imperatively necessary that something should be done. That I readily concede, that reason I can understand, that situation I think I can comprehend, but I submit to the Senate and to the country that it was not necessary to take the extreme step of taking over and operating the railroads of this country as a whole in order to provide for these debts. In so far as their operation is necessary to the conduct of the war, in so far as their operation is necessary to the movement of troops, supplies, and equipment, and things of all sorts that contribute to a successful prosecution of the war, undoubtedly the Government could have done one or two things. It could either have advanced the money out of the Public Treasury in the shape of a loan, and that is what it is going to do anyhow, without taking

over and operating the property, or it could, with just as much right and with just as much power and with just as much authority, have suspended, temporarily, the collection of these debts, as it suspends temporarily the collection of the debts of the soldiers or the sailors who are fighting for the flag.

So, I say, when I come to consider this situation, my mind halts at the very threshold of this question upon the preliminary question whether or not this taking over of the railroads was necessary. If it was, in my judgment, necessary in order to adequately prosecute this war, I would unhesitatingly support it as earnestly and uncompromisingly as I oppose the Government ownership and operation of railroads or any other form of private business. But, unless and until it is necessary, and unless and until that necessity is demonstrated to a reasonable degree to my mind, I find myself utterly unable to vote for a proposition that goes to this extreme before the necessity for it arises and before the justification for it can be fairly and reasonably established.

My disinclination to do that is enhanced by the fact that in the bill itself provision is made, not that this Government ownership and operation—it amounts to temporary ownership, of course, and to technical operation at least—shall end with the war or within any reasonable period thereafter, say 90 days or even 6 months—it did not take us 6 hours to take them over—but the bill provides that it shall take us 18 months to turn them loose. So if, by the grace of God, a just and honorable peace should come to this country, in common with the most of the balance of the world, in any reasonably near-by time, we would be still committed by this legislation to the uncertain and dangerous experiment—socialistic in its nature and, in my judgment, certain to prove destructive in its results—of Government ownership and operation of the railroads of this country for a period of some two years, as suggested by the House bill, or a year and a half, as proposed by the Senate bill, even if peace came to-morrow.

Another thing is an objection suggested in the able minority report of the distinguished Senator from Iowa [Mr. CUMMINS]. By the way, let me say that Senator has given to this subject—although he does not approach it from exactly the angle and standpoint that I do—a consideration and an ability which commands not only my respect but my admiration.

The Senator from Iowa made the point in his minority report that if this is to be done to strengthen the railroads of the country, to weather them over this financial storm, to provide for them a money market to make up for the money market which they will lose by reason of the Government's necessity, it is manifestly unjust, wholly unfair to extend the benefits of such legislation to the strong and deny them to the weak. Are we only to take the big roads that are strong and earning money and weathering this gale better than anybody else and leave alone and unprotected the smaller and weak and helpless railroads? Does the rain fall on the just and the unjust alike? Does the statute work on the rich and the poor alike? Does the law apply to the big and the small alike? No; it is left with the President to do as he pleases, and already the Director has announced that these smaller railroads will not be taken over, will not be given the benefit which this legislation intends to confer on the railroad system as a whole.

I understand—and I think I violate no personal confidence when I say it—that the distinguished Senator from South Carolina, the junior Senator [Mr. SMITH], who reports this bill, intends to offer an amendment to meet that situation and to treat all the railroads alike, when we come to the detailed consideration of the bill, and I intend to support it. I hope it will pass.

Let me read, because it is short and compact, the observations of the Senator from Iowa on this subject. I am reading from his minority report:

#### THE SHORT-LINE INDEPENDENT COMPETITIVE ROADS.

The President construes the act of 1916 to give him authority to take possession and operate any railroad or any part of any railroad. During the hearings it was clearly indicated by the Director General that it was not the purpose to take over all, or even many, of the short-line independent competitive roads. It is obvious that there are a large number of short-line roads which will not be affected by Government operation, and as to these nothing is said; but, on the other hand, there are a large number of comparatively short roads which compete with the trunk lines for traffic, and these roads will be absolutely destroyed if some arrangement is not made for their protection. While in a sense their operation by the Government may not be necessary for the successful conduct of the war—

And that may be said about the whole delectable scheme, by the way—

they have all been built to give the communities which they serve relief from the monopoly of trunk lines. The welfare of the localities through which they pass is dependent upon their existence, and public interest demands their full and complete operation. If their relations with the trunk lines are destroyed by the diversion of the traffic which they have heretofore carried the outcome is perfectly clear. When the war ends

and the big systems are restored these small, independent, competitive roads will fall into the hands of the great systems for substantially nothing.

They will neither weather the traffic storms nor the financial gales that will fall upon them, and blow about them—

It is probable that if these roads were taken over the liability which the Government assumes would not be materially, if at all, increased, but even if it is enhanced by a small amount the Government can well afford to take something from the excessive compensation which it proposes to guarantee to the big roads in order to save some of the little ones.

Mr. VARDAMAN. May I interrupt the Senator from Georgia?

Mr. HARDWICK. Certainly.

Mr. VARDAMAN. The question I desire to ask the Senator is this: I will preface my remarks by saying that I am opposed to the maximum rates proposed to be paid to the trunk lines; but does the Senator think that Congress would be justified in taking over the short lines of roads just in order to save the roads from bankruptcy?

Mr. HARDWICK. That is what we are taking over the big ones for.

Mr. VARDAMAN. We are taking over the big roads to serve the country, to carry on the war, and not to serve the railroads.

Mr. HARDWICK. They can be required to serve now, and they dare not refuse. There is no use dodging the question. I know the Senator is not trying to dodge it, but there is no need for anybody to try to dodge it. We are taking over the railroads because, in the opinion of the President and railroad people and a great many well-informed people, their financial interests require us to do it; they do not know how they are going to get the money during the next two or three years if the Government loans are to continue in order to enable this country to prosecute the war.

Mr. VARDAMAN. Does the Senator really think that the purpose of the taking over of the roads is in the interest of the roads?

Mr. HARDWICK. I have not any doubt about it.

Mr. VARDAMAN. That statement is, I think, unwarranted.

Mr. HARDWICK. Of course the Senator is entitled to his own opinion; but I will venture the statement that not one Senator out of ten will vote for this bill who in his heart believes anything else.

Mr. VARDAMAN. I most assuredly can not agree with the Senator.

Mr. HARDWICK. The Senator does not think it is the financial situation of the railroads that is at the bottom of this?

Mr. VARDAMAN. I would not charge the administration with that. Taking over the railroads by the Government for the purpose of protecting the interests of the railroads would, it strikes me, be indefensible.

Mr. HARDWICK. I am not charging the administration with it. I say the situation that confronts the country is such that if we are to continue to float billion-dollar loans, three billion, five billion, or seven billion, or ten billion dollar loans, month after month and year after year, the money market will soon be in such a condition that something will have to be done if these agencies of transportation are to operate and meet their indebtedness. But I do not think it is necessary to take them over and operate them. I would rather lend them the money and let the owners operate the roads themselves than to do that. I would rather postpone the collection of their obligations, just as we do with soldiers and sailors. Their operation is necessary to prosecute this war, and we have just as much power to do it in the one case as we have in the other.

I admit that I am somewhat of an old-fashioned Democrat. My mind moves, conservatively, along settled lines. To me it is not necessarily true that what is is necessarily right; but to my mind it is necessarily true that you have got to show me that something you propose is better than the existing order before I am willing to make a change. I think that is sensible progress as well as common sense. Anyway, it is as I view the question. To my mind, from the beginning of this war until the present moment, and I am afraid for some time yet, it seems to me that this country and its Government, its Congress, and its Executive—you notice I class them all together—have made one colossal mistake, which runs through all our plans, through all our preparations, through all our legislation, and through all our executive and administrative acts. What is that mistake? That mistake is that on the threshold of a great war that is to try American strength and that is to test American vitality, that is to challenge American power, we have undertaken to reverse every process of thought and action and feeling and sentiment that have animated our people and have made this country great and strong and powerful and rich and mighty among the nations of the world. It seems to me that it would be just as foolish if a strong man,

the vigor and strength of whose manhood is approved, when called upon to face the physical test of his life in mortal combat with a foe, it may be with naked hands, should undertake to reverse all the processes of his life that have made him strong in the few weeks that he was training for the fight.

Ah, Senators, there can be no doubt, in my mind at least, that you would find a greater America, a stronger America, a more efficient America, a more united America in soul, in spirit, in thought, in action, in word, and in deed, if you would pay some regard to the processes by which our national life has developed, if you would pay some regard to the old-fashioned principles, if you would utilize the strength that has come to us naturally, if you would quit trying to combat Prussian autocracy across the seas by establishing in America among her free people an autocracy that is little different from the autocracy over there.

What is the remedy? Whenever you find something that hurts, whenever you find some place where the shoe pinches, instead of going back to the old doctrines of individualism, to the sacred doctrines of democracy and of Americanism alike, you jump at once to the conclusion that you can only successfully combat private monopolies, that you admit your impotency to destroy or control, by establishing in their lieu public monopolies that are hardly more tolerable and certainly little less defensible.

For one I do not believe in it; for one I am opposed to it; for one I am willing to require the railroads, the steamboats, and everybody in this country to do all that is needed to furnish and supply the troops to wage and prosecute this war; but I say you can do that without taking over a tremendous task like the Government ownership of railroads or the Government operation of railroads. That is not necessary, or it would not be necessary under any circumstances, except now and then, when a railroad broke down or some part of the system failed, if that should happen; and I do not think that is likely to occur.

Mr. President, I listened with great interest, with admiration for his facility of expression, for his brilliancy of rhetoric, and for his cogency of logic to my warm personal friend, the distinguished Senator from Illinois [Mr. LEWIS], in his dissertation this morning. He leaped from continent to continent, from one planetary system to another, from universe to universe, from the North Pole to the Equator, in his discussion of this question, and yet every leap brought us to a more attractive stage of the journey and to a more entertaining portion of the distinguished Senator's admirable speech.

The thing that impressed me most was what the Senator said about the destruction of our dual system of government; about the concentration of power, not only here in Washington, and the Senator might have said, but also in the hands of one man, at the expense of the several State governments. Oh, my heart bled, Mr. President, as the distinguished Senator sang that mournful dirge over the tomb of the States; and I want to say to you in sober earnestness, in a spirit of alarm, that he is right. During a service in this Capitol, now approaching its sixteenth year, I have seen the steady march of these tremendous powers, of this centralizing, unifying, autocratic power. I have seen it march by leaps and bounds, unchecked and unimpeded, through every administration during which I have been serving here; but I must confess that it is with the deepest sorrow and the most profound regret that I have seen it more terribly accelerated during this administration than during any other, and that, too, long before this war began.

Are the States defunct? Is the Government that we love, that our fathers founded, that Jefferson framed, that Madison planned, that Monroe philosophized about, dead, and does a new America, no longer a dual confederated Republic, but a single great Nation, headed by a single great Chief, whose power is greater to-day than that of any potentate on this earth, certainly, at least, among civilized nations, stand before us? Senators, I hope not. I fear that if that day shall ever come, it will prove fatal to the liberties of the Republic. To prove to you that this jeremiad is not so much a personal view of mine, I want to read to you what a distinguished American really thinks on this great question, or at least what he once thought on this great question. Let me quote from one of his books:

If the jealousies of the Colonies and of the little States which sprang out of them had not obliged the makers of the Constitution to leave the greater part of legal regulation in the hands of the States, it would have been wise, it would even have been necessary, to invent such a division of powers as was actually agreed upon. It is not, at bottom, a question of sovereignty or of any other political abstraction; it is a question of vitality. Uniform regulation of the economic conditions of a vast territory and a various people like the United States would be mischievous, if not impossible.

The statesmanship which really attempts it is premature and unwise. Undoubtedly the recent economic development of the country, particularly the development of the last two decades, has obliterated many boundaries, made many interests national and common which until our own day were separate and local; but the lines of these great changes we have not yet clearly traced or studiously enough con-

sidered. To distinguish them and provide for them is the task which is to test the statesmanship of our generation; and it is already plain that, great as they are, these new combinations of interest have not yet gone so far as to make the States mere units of local government. Not our legal conscience merely, but our practical interests as well, call upon us to discriminate and be careful, with the care of men who handle the vital stuff of a great constitutional government.

The United States are not a single, homogeneous community. In spite of a certain superficial sameness which seems to impart to Americans a common type and point of view, they still contain communities at almost every stage of development, illustrating in their social and economic structure almost every modern variety of interest and prejudice, following occupations of every kind, in climates of every sort that the Temperate Zone affords. This variety of fact and condition, these substantial economic and social contrasts, do not in all cases follow State lines. They are often contrasts between region and region rather than between State and State. But they are none the less real, and are in many instances permanent and ineradicable.

It would be fatal to our political vitality really to strip the States of their powers and transfer them to the Federal Government. It can not be too often repeated that it has been the privilege of separate development secured to the several regions of the country by the Constitution, and not the privilege of separate development only, but also that other more fundamental privilege that lies back of it, the privilege of independent local opinion and individual conviction, which has given speed, facility, vigor, and certainty to the processes of our economic and political growth.

To buy temporary ease and convenience for the performance of a few great tasks of the hour at the expense of that would be to pay too great a price and to cheat all generations for the sake of one.

Those words are worthy of the pen of Thomas Jefferson himself. Thomas Jefferson never wrote with more clearness, with more vigor, and with more strength of the blessings of local self-government, as handed down to us from our English forbears. Those words came from the pen of Woodrow Wilson, the President of the United States. May God keep him, in this hour of his responsibility, steadfast to the faith that he once professed and which is vital to the life and safety of this Republic.

Mr. President, I can not support this bill. I would do so if I thought there was no other way to preserve the railroads of this country in all their vigor for the use of the Government in this hour of its national trial; but, convinced as I am that it could have been done in a much better way, in a much easier way, and that it can yet be done in both a better way and an easier way—of course, I speak only for myself; Senators who are not so convinced will, I can quite understand, support this bill, even if their general ideas are in accord with mine—but laboring under the convictions that I have expressed to you, it will be impossible for me to vote for a bill that I regard as wholly unnecessary and as equally unwise.

Mr. VARDAMAN. Mr. President, every phase of the subject matter under consideration has been so completely and exhaustively discussed by Senators who have preceded me that I deem it almost a matter of supererogation for me to have anything whatever to say upon this bill. On account of the limited time fixed by the rule of the Senate I shall speak but briefly, indulging perhaps in the discussion of general principles and leaving the details of the measure to be treated by the able Senators in charge of the bill.

I have listened with interest unabated to the able speeches that have been delivered by learned Senators upon the pending measure. Its magnitude and the far-reaching importance of the problem have called forth their best efforts, which are illuminating contributions to the legislative literature of America. It has been particularly interesting to observe the learned Senators who chose to travel the old beaten path of political orthodoxy, spice their arguments with new thoughts, employ unusual phrases, and use language which gave a trite old issue the appearance of a new plan. Other able Senators, playing the rôle of protagonists, have essayed to wander into the field of imagery and speculation, pictured in vivid colors conditions which will prevail throughout the world when their theory shall be tested and approved, and when the storm clouds shall have drifted away and the sunlight of peace again fill this war-cursed world.

While I have enjoyed and cheerfully acknowledge myself the debtor of the distinguished Senators for the great speeches delivered on this question—speeches well worthy of the Senate in its best days—I wish particularly to pay the tribute of my gratitude and approval to the learned junior Senator from California [Mr. JOHNSON], the affluence of whose eloquence and the cogency of whose logic touched the high-water mark of senatorial debate, and will, I am sure, cause a feeling of despair to overcome those who may follow him in the discussion of this great problem. The soundness of his argument, the breadth of vision, the accuracy of his logical processes made captive the judgment of his listeners and commanded my heartiest approval. He has blazed the way that the progressive statesmanship of America will follow, and although he stands with a small group of statesmen about him to-day, the doctrine he so eloquently announces will within a few years, I trust, become the faith of an enlightened Nation.

Mr. President, the marked distinguishing difference between the man of genius and the ordinary plodding, slow-thinking in-

dividual whose mind is filled with the undigested thoughts and facts of others, is, the man of genius is able to dip into the future as far as human eye can see; he is able to stand within the shadow of the evening and look beyond the night into the morrow, and with trance-prophetic eyes read the finished story and contemplate with pleasure the consummation of the centuries while the plodder sees and understands only the things of to-day. It is the difference between true greatness and groveling mediocrity.

Mr. President, the world is passing through a period of change—mutations and multiplied mutations follow in rapid succession. Things are happening to-day with a suddenness and passing on with such velocity, the slow-thinking person can only stand and wonder what is coming next.

War is the pregnant womb of perplexing problems which issue forth with fearful fecundity, and the attempted solution of which will lead the statesman in his investigations into all the avenues and ramifications of human actualities. The old landmarks have been torn down. The buoys that marked the channel of the sea have been swept from their anchorage by the storm of a world-wide conflict. There is no tried rule, no tested formula, and no friendly milepost to guide us along to the sure and better way.

We have entered new fields, adopted a new diplomacy, altered our relations, changed our attitude to the nations of the world, which we have maintained since the birth of the Republic. Verily—

New conditions teach new duties;  
Time makes ancient good uncouth.

Never in the history of mankind was there so great a need or so pressing a demand for the services of great, wise, and good statesmen as now. We need men of courage and intellect—men morally and mentally strong. We need men of independence of thought, of ripe statesmanship and great learning, to meet and solve the onrushing, untried issues that confront us. We realize that "he is next to God whom reason and not passion impels," who is able at all times to preserve his moral equilibrium and mental poise, to serve the public although it may involve a personal sacrifice, and who will spurn with contumely the opportunities that lead to personal aggrandizement or private pecuniary fortune at the public expense—men who, after weighing the facts in all circumstances, will be able to shape their conduct so as to square it with patriotic discretion. It is a time to pause, to look and listen—to move cautiously, but to move. Heroic action above all things is required at this time. The steady light of popular judgment is needed as never before to illuminate the strange, shadowed roads over which we must travel. I have always believed that in the multitude of counsel there is wisdom. It is, therefore, in my judgment, important in these unusual times to have the utmost freedom of speech, freedom of thought, and freedom of action.

I have infinite faith in the saving grace of the honesty and patriotism of the American people. And I know the most dangerous class of men in this Republic, be they in private life or public station, are the egotistical, self-satisfied, self-worshipping, intolerant individuals who have no conception of their own limitations.

Torquemada was doubtless an honest man; he was sincere; he felt that his life was consecrated to the service of the Savior of mankind. He held to the view that men think and believed as they would and not as they must, and therefore he believed it were better to subject a finite creature to the most cruel punishment in order to save that creature from infinite damnation. I have no doubt that he thought that the auto da fe was a divine ceremony. And yet, in the light of modern civilization, who will defend its barbarities?

The effort to muzzle the press and the manifest disposition on the part of a few to intimidate private individuals who dare express their honest thoughts regarding their Government and the conduct of their hired public servants are so utterly at variance with the genius of our institutions that it ought not to be tolerated in this Republic for a moment.

Mr. President, men and women born of free Caucasian parents will not long remain calm and quiescent under such restraint. You can not make an American white man a subject in one generation; but if you could, it would be disastrous to free institutions. Such things will be looked upon by the wise and patriotic men and women in America in the years to come, when reason resumes its sway, with a deep sense of humiliation and regret. We have already seen the evil effects of an unwarranted censorship. The exigencies of war necessarily bring about a change in our Government which amounts almost to a change of polity. I agree with Dean Swift, "that it may pass for a maxim in state that the administration can not be placed in too few hands nor the legislature in too many." And this is especially true in time of war. There must be concentration of

power. But it is possible to concentrate too much power even in time of war, powers that will ultimately, if not properly hedged about with limitations, overthrow Republican principles and destroy Democratic policies, especially if the powers thus conferred are conferred upon bureaus or individuals in whose own conceit there is no idea of the limitation of their own mentality.

There has been but one infallible man that ever lived upon this earth, and he was crucified 2,000 years ago. And he was crucified by the spiritual bigot, the mental coward—the servile tool of despotic power.

Hero worship has been the cause of more people losing their liberties than any other one error into which man has fallen. Eternal vigilance is the price of liberty to-day just as much as it was when Patrick Henry fired the hearts of the colonists more than one and a quarter centuries ago with the dramatic statement, "Give me liberty or give me death." I believe in the composite wisdom of the masses. It is my judgment that all the people have more sense, and I would rather trust their conclusions and feelings in the matter of legislating for their benefit than to trust the judgment or the logical processes of any one man or coterie of men. The most just and rational laws written upon the statute books are public opinion crystallized. Public opinion is the salubrious salt breeze that neutralizes the poisonous effluvia which rises from the miasmatic swamps of political corruption. As the persistent blowing of the winds from the southwest create that mysterious current in the sea known as the Gulf Stream which carries into the very heart of the Arctic the genial cordial climate of the Tropics, so public sentiment arising from the attrition of ideas, the friction of suggestion, the exchange of experiences in everyday affairs of men and women create an influence that moves irresistibly to the Capitol of the Nation, and there, if the statesmen are wise, will find crystallization in public statutes, statutes which will partake of the moral qualities and intellectual acquirements of the people and will therefore be responsive to their private and public necessities. The future of this Republic depends upon the honesty, the fearlessness, the patriotism, and the intelligence of the individual men and women who compose the citizenship of the Nation. It is an influence that the statesmen can not with prudence ignore. It is dangerous to overlook it.

Mr. President, the pending bill has for its purpose the rendering of a great service to the world at this particular time. I commend most heartily the prudence and wisdom of the erudite Chief Executive in taking over the railroads of the United States for the purpose of expediting and facilitating the movement of troops and munitions of war and at the same time carrying on the commerce of the Nation. I believe the end so necessary to be reached will be attained by this extraordinary step.

It is my deliberate judgment that the most important and difficult problem which we have to solve in winning this war is the matter of land and ocean transportation. In carrying out this great undertaking I shall esteem it a privilege as well as a patriotic duty to give the President my most cordial support in the performance of the great function which he has assumed. In addition to the advantage which the American people will derive from the President's action in this behalf, I hope and believe it will lead finally to Government ownership and Government operation of the railroads of the entire country. It will afford a practical test of the theory I have long approved. To my mind, Government ownership of these essential public utilities will come when the American people realize that governments are made for men rather than men for governments. It will come as surely as right shall triumph over wrong and truth prevail against error.

The cruel cupidity of the conscienceless few who have controlled the press, the molders of public thought, are responsible for its failure of consummation years ago.

These views I have entertained for many years, and therefore I shall watch with great interest the process and the fruition of a cherished hope. But however much I desire to see the Government become the possessor of all the railroads, I am opposed to any legislation of that character being enacted at this time. Indeed, Mr. President, I shall oppose any legislation of a permanent character at this time, because I do not think the public mind is really sane. The whole world is daft, crazed with a blood lust, and the greed for gain has poisoned the hearts of our people. Let us enact legislation necessary to meet the present emergencies, and after the war is over we may then with safety undertake the difficult task of building for the future.

A fevered brain is a veritable Pandora's box of perplexities, and I would not open that box now. My investigations into the shipbuilding industries of the United States, the Hog Island infamy, for instance, together with the question of the shortage of coal and scarcity of sugar, have led me into the various fields

of industry and governmental war enterprises, and it is a lamentable fact, which I state with regret and shame for my fellow countrymen. I find the slimy trail of the serpent of greed somewhere in all the preparations for war.

There seems to have grown up on the part of some a passion for plunder and an insatiable greed for graft. We find that men of prominence in high finance—men who were loudest in their demands for "preparedness" a few years ago, who paid for the bunting that decorated the houses, paid for the flags that were flaunted in the air by the hired claquers, paid for the bands that led the "preparedness" parade; these men who were loudest in their denunciation of the Members of Congress who dared to insist that a fair share of the war profits be devoted to paying the expenses of the war—the same hypocritical, lying plutocratic patriots for perquisites wrap themselves in the American flag and with the words of patriotism upon their mendacious lips would rob the Government in contracts or otherwise and thereby impose burdens upon posterity that will bring squalor to the home of the laborer and shadow the future of the children of the toilers yet unborn with blighting poverty, frustrated ambitions, and commit them to lives of dull, debasing drudgery. Down all the stretches of hell to its last gulf there is nothing more shocking to the moral sensibilities of a patriotic citizen.

Mr. President, I realize that war is expensive; expensive in blood, expensive in treasure. I understand as one who has contributed personally to the toll this brutal business demands—I know that war means sacrifice, self-abnegation, patriotic endeavor, the noblest qualities of the human soul. I understand it means all that and more; it arouses the most brutal instincts of the human race.

I believe in doing justice to the man who sows, and I insist also upon the maintenance of the rights of the man who reaps. I believe it is just as wrong to rob the railroad magnate or the railroad corporation as it is to rob the engineer or the fireman or the patient toiler who lays the track. My only desire is that justice be done, and I am quite earnestly of the opinion that it is as wrong to rob the laborer as it is to rob the capitalist.

Now, in the matter of compensating the railroads for services which they are to render under Government control, I can not apprehend, I can not follow, the mental or moral processes of the men who would urge that they be especially paid for their services to their country or for the use of their property in this great emergency. There is no divinity that hedges about railroad securities. I am unable to find anything sacred about railroad bonds or railroad stocks that would entitle them to be preferred or favored in the way of securing larger dividends than other forms of property.

I had a letter a few days ago from a young man telling me he had to give up a profitable grocery business because his country called him to arms. He had no one to whom he could trust the management of his business while he is in the Army, so he sold it at a sacrifice, and went forth to do and, if need be, to die in defense of the flag.

Another young man, a farmer in my State, with a wife and little child, who owns a small farm, was conscripted. There was a scarcity of labor in that community. He could not rent his place and he was unable to employ labor to cultivate it. So he wrote to me that the prospects were that the land would lie fallow for the next year, but the brave, patriotic fellow gave it all up and left his loving wife and child to the tender care of relatives and friends and went forth in response to his country's call. The Government has not taken any thought or granted any especial protection or exemption to men of that character and it is not expected that the Government should do more than it has done. But the railroads are to be shown special favors—they are permitted to make and enjoy the same average profits they made during the years 1915, 1916, and 1917, the fattest years in the life of the railroad business in America. While everybody else is called upon to make the supreme sacrifice, these corporations for profit are to enjoy the favors of normal times. I am told, Mr. President, that this policy must be pursued with reference to corporations—that they must have dividends upon their stock during the war or they will not play the game. If that be true, it is lamentable, for the Republic is in a desperate strait when the corporations must be hired to perform their patriotic duty to the Nation in time of war by money wrung from the taxpayers of the realm and the soldiers conscripted to defend the flag. I hope the corporations will not maintain that attitude to this Government. If they should, I shall be the last man with my vote to humor such a criminal caprice or temporize with such indefensible greed for gain, and I will not consent that Congress shall by its vote indorse such a policy.

No, Mr. President, I can not understand the reasoning of Senators which leads them to that conclusion to which the

committee bill brings us. When the able and learned Senator from Ohio [Mr. POMERENE] talks of "stabilizing values of railroad securities" by the payment of undeserved dividends, he seems to forget that the extension of favors of this character to the railroads will be a gross, palpable, and inexcusable injustice to the men who compose the Army and their families and loved ones at home who must pay the taxes from which the dividends shall be taken. I believe the railroads ought not to have the profits that they would ordinarily make under war conditions after they shall have made the sacrifices that other industries and all the people have suffered. But they are entitled to no more. The maxim, "Equal and exact justice to all and special privileges to none," is the rule that ought to guide the statesman in the performance of the functions of his place, and especially in the treatment of this question. But it is urged that if we do not provide that the President may contract with the railroads for the dividends permitted in this bill that the railroads will go into the courts and after protracted litigation get a judgment against the Government for the use of their property which, it is urged, may be more than the maximum fixed in this bill. I do not believe anything of the kind possible. I do not believe that any judge or jury with judicial knowledge of the conditions as they are would ever hold that the railroads were entitled to normal profits in abnormal times. The judgment of the court will be rendered upon facts and conditions that prevail at the time the Government incurred the liability and the reward of the railroads will be fixed by the average profits which other industries and other people received. For the railroads to ask for more would be the acme of injustice.

It is said that the saving under the Cummins resolution is small—only a couple hundred million dollars, an inconsequential amount. Mr. President, if that be true, if the amount is so small, the railroads ought not to demand it. On the other hand, the taxpayers of this country, who have borne the heavy burden of taxation until it has created "set fast" upon their tired backs, will be glad to receive any concession in the way of lightening the load, however small it may be. I am going to vote for the Cummins amendment and I hope sincerely it may be agreed to by the Senate. I believe that it comes more nearly dealing out justice to all parties concerned—to the railroads and the taxpayers alike. And, Mr. President, may I be permitted to say in conclusion that it is my deliberate judgment that if we would bring all the people of America to the support of the Government with enthusiasm, verve, and deathless determination to win this war nothing will contribute more to bring about that great desideratum than to impress the public mind—the man who toils—with the fact that we are not playing favorites; that equal and exact justice to all shall be done, alike to the rich and the poor, the weak and the strong.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, from this time forward until 6 p. m. of this evening arguments by Senators will be confined to 10 minutes each upon the bill and any amendment offered thereto. The bill is in the Committee of the Whole and open to amendment.

Mr. CUMMINS. Mr. President, I offer the amendment which I send to the desk.

Mr. JONES of Washington. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, S. Dak.	Norris	Smith, Md.
Bankhead	Jones, Wash.	Nugent	Smith, S. C.
Culberson	Kellogg	Overman	Smoot
Cummins	Kendrick	Owen	Sterling
Curtis	Kenyon	Penrose	Sutherland
Dillingham	King	Phelan	Thomas
Fletcher	Knox	Pittman	Tillman
France	Lewis	Poindexter	Townsend
Frelinghuysen	Lodge	Pomerene	Trammell
Gallinger	McCumber	Ransdell	Underwood
Gronna	McKellar	Robinson	Vardaman
Hale	McLean	Saulsbury	Warren
Harding	McNary	Shafroth	Watson
Hardwick	Myers	Sheppard	Williams
Hitchcock	Nelson	Sherman	Wolcott
Johnson, Cal.	New	Shields	

Mr. SUTHERLAND. I announce the absence of my colleague [Mr. Goff] by reason of illness.

Mr. MYERS. On account of the continued illness of my colleague [Mr. WALSH], he is unable to be present.

Mr. LEWIS. I desire to announce for the day the absence of the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from Kentucky [Mr. JAMES], caused by personal illness. I ask to have this announcement apply to future roll calls.

The VICE PRESIDENT. Sixty-three Senators have answered to the roll call. There is a quorum present. The Senator from Iowa [Mr. CUMMINS] offers an amendment, which will be stated by the Secretary.

The SECRETARY. On page 2, line 17, at the end of the sentence, after the word "included," it is proposed to insert a colon and the following words:

*Provided*, That the standard return to any such carrier whose average rate of net income to capital stock for the years aforesaid has been more than 5 per cent shall not exceed the net railway operating income for the calendar year 1917 after deducting therefrom the amount available out of earnings for investment and surplus: *Provided further*, That the last preceding limitation shall not be employed so as to reduce the net income (above all operating expenses, taxes, interest, and all other fixed charges) of any such carrier below the amount required to meet each year the regular dividend accruals on all capital stock outstanding December 31, 1917. The surplus over and above the standard return as so computed shall be paid into the revolving fund hereafter created, and such part thereof as may be necessary shall be used in additions, betterments, and extensions to said property. All of said property constructed out of or purchased by the same shall belong to, and shall be held in trust for, the public, and no return to any railway company shall ever be paid thereon.

Mr. CUMMINS. Mr. President, if Senators will give me their attention, I will adhere strictly to the issue presented in the amendment just offered.

I have already at considerable length expressed my views with regard to the standard proposed in the bill; and I have already laid before the Senate with fullness, and I hope with accuracy, what the standard proposed in the bill will do for the railroads which are affected by the amendment I have offered. I do not intend to repeat the argument I made with regard to the effect of the bill as it is upon these roads.

The amendment which I have offered affects 86 of the more than 1,000 railroads in the United States. It does not affect any others. As to all the remaining roads and systems the compensation remains precisely as it is proposed in the bill.

For instance, this amendment does not affect any roads in New England except two small ones. It does not affect the New York, New Haven & Hartford, or the Boston & Maine, or others of a similar character that I might mention. It affects two small railroads in New England. It does not include such roads as the Erie, the Southern, the Rock Island, the Chicago & Alton, the Great Western, the Missouri Pacific, the Missouri, Kansas & Texas, the St. Louis & San Francisco, the Denver & Rio Grande, or the Western Pacific; and I might mention a great many others, but it is unnecessary. I want the Senate to understand that I have segregated, for the application of my amendment, 86 roads which are named in the table which was appended to my remarks the other day.

Mr. HALE. Mr. President—

Mr. CUMMINS. I yield to the Senator from Maine.

Mr. HALE. Will the Senator give the names of the two roads in New England that are affected?

Mr. CUMMINS. My recollection is that the Maine Central and the Central of New England are the two roads that would be slightly affected by the amendment I have offered.

My statement with respect to the guaranteed income of these 86 roads has not been controverted, nor can it be controverted, because I simply laid before the Senate the results of an investigation of the Interstate Commerce Commission—an investigation made entirely, I assume, from a disinterested standpoint.

The roads in the eastern district affected by the amendment, which under the standard of the bill will have a net income of from 6 to 600 per cent, have an average net income upon capital stock of 11.48 per cent. The roads in the southern district within my amendment having a net income of from 5½ to 50 per cent average 12.37 per cent. The roads in the western district coming within the amendment with net incomes as compared with their capital stock of from 6 to 160 per cent average 9.96 per cent. The purpose of my amendment is to reduce this net income, and as compared with the standard return proposed in the bill, the aggregate reduction in the eastern district will be \$65,205,667, the reduction in the southern district will be \$35,659,207, and the reduction in the western district will be \$72,209,538—a total of \$173,000,000 for the 86 systems which I have named—and it will be understood, of course, that this is a reduction of the annual compensation of that amount.

Now, with regard to the amendment. I have taken as the basis of the amendment the best year which these roads have ever had in all the history of transportation. I have taken as a further maximum the earnings for the year 1917. The amendment provides that from the net operating income which the bill proposes to guarantee to these roads there shall be deducted in each case the amount of earnings available for investment and surplus. That is, after the road has paid all its expenses of every kind, has paid its interest, has paid its taxes, has paid its dividends, that then the amount which is available for investment—that is, capital investment—and the amount which is available for surplus shall be deducted from the standard return or from the operating income in order to reach the guaranteed amount which the Government proposes for these companies. But in order to make the conclusion beyond attack

the amendment proceeds to say that in no event shall the guaranteed return be less than sufficient to pay the customary dividends of the roads named in the amendment.

I shall not pretend to read the customary dividends, for my time will soon expire. It is sufficient to say that the New York Central has customarily paid 5 per cent, the Pennsylvania 6 per cent. I think the Baltimore & Ohio 6 per cent, the Chicago & North Western 7 and 8 per cent—one upon preferred stock and one upon common—the Northern Pacific, I think, 7 per cent, the Great Northern 7 per cent, the Union Pacific, I think, 8 per cent, last year 10 per cent, and the Southern Pacific a like amount. I am simply instancing these things, Mr. President, to show that my amendment does not reduce the guaranteed return or income below the amount that these companies will require to pay every expense that can possibly be charged to them, and then pay the dividends which they have paid in times that are past; and any suggestion that under such a guaranty the stocks and bonds of these companies will not be fortified and strengthened and maintained in the market is purely imaginary.

I listened with profound interest to the brilliant eulogy pronounced upon railways and railway management by the distinguished Senator from Indiana [Mr. WATSON]. Some of it is very well founded. With some of it I could not agree. But what then? I care not how high may be the pedestal upon which we lift these heroes of the past—what has that to do with the question of compensation? It has no more to do with the fair value of these properties, or the fair value of the use of these properties, than the flowers that bloom in the spring.

I listened with emotion to the pathetic reference of the distinguished Senator from Ohio [Mr. POMERENE] to the great army of widows and orphans who own the railroads of the United States. I shall not pause to inquire just how extensive an interest the widows and orphans have in the railway property of this country, or how influential they are in its management. Let us grant it all. Let us grant that they own the railways; that all the orphans and all the widows are deeply concerned and deeply affected by what we do here—what then? I am no more in favor of giving a widow or an orphan an unfair, unjust, excessive compensation than I am in favor of giving a railway corporation or a millionaire an unjust or an excessive compensation. It is all wide of the mark. There have been drawn into this debate thousands of unrelated and immaterial conditions which ought not to be remembered when we are considering this amendment.

The VICE PRESIDENT. The time of the Senator from Iowa has expired.

Mr. WILLIAMS. Mr. President, while we are talking somewhat irrelevantly about things that are in themselves comparatively insignificant, I read in the cloakroom a moment ago an editorial from the New York Times of February 20, entitled "Lloyd-George triumphs again." It is tribute to that brilliant Welshman and a tribute to the war spirit and unity of action of the allied forces. I want the Secretary to read it as a part of my remarks before I go any further.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Secretary read as follows:

#### LLOYD-GEORGE TRIUMPHS AGAIN.

Our system of government organization has this advantage over the British system of ministerial responsibility, that we escape the peril of enforced changes of administration in the midst of war. We are not confronted by the grave risk of the transfer of power from one set of men to another, from one party to another, at a time when the whole power of the Nation, of all the parties and of all the people, must be exerted, without any hindrance from political squabbles, for the overthrow of the enemy. Our President, our Senators, our Congressmen are elected at fixed dates, not subject to change because of any vote of want of confidence in Congress, while the overthrow of a British ministry may involve an appeal to the country through a general election of members of the House of Commons. In time of war, at least, our system has many advantages.

Happily, Mr. Lloyd-George has again baffled those who would like to displace him, and he has delivered the United Kingdom from the very serious embarrassment of either a general election or of a change of ministry at this moment. By his explanation in the House of Commons yesterday of the resolve recently taken at Versailles he retains the confidence of the House and of the country. We hope that confidence in him has been confirmed, really strengthened. It is distasteful to many old-fashioned conservatives that a man of his earlier political professions should hold the chief post of power, but Lloyd-George has been a mighty instrument of war for the British Empire, and his countrymen know it. While Americans would wish to refrain from any expressions of partisanship or any undue partiality in British politics, it is undoubtedly true that the overthrow of the British ministry, of which Lloyd-George is at the head, would be regarded here with no little apprehension. His extraordinary intellectual force, his power in organization and direction, as well as the capacity he has shown in declarations of policy for the prosecution of the war, have won for him our confidence. We are glad that he retains the confidence of the British people, which is very much more important.

The prime minister's explanation of the decisions taken at Versailles is very simple; it is very much what was expected: the facts were, indeed, already pretty well known. In establishing a central authority "to coordinate the strategy of the allies," the war council merely accom-

plished the general desire, including America, as Mr. Lloyd-George pointed out. It is gratifying to know that this general principle had the unanimous assent of the members of the council. Differences arose, as was natural, over details. The agreement that there should be "an interallied authority with executive powers" was easily reached. It was less easy to secure unanimity about the constitution of the central authority. A question somewhat apart from this arose through displeasure over the proposed transfer of Gen. Sir William Robertson, chief of the Imperial general staff, to a place in the supreme war council, which he declined to accept. There was some mystery about it which seems to be cleared up by the now general understanding that Gen. Robertson was not satisfied with modification of the plan in force under which he issued orders without first submitting them to the army council or to the secretary of war. His feeling of dissatisfaction has been appeased, however, and he accepts the new post to which he has been assigned.

Political rivalries and ambitions have played a large part in the recent attacks upon the Lloyd-George ministry. We suppose expressions of regret in this country and in Paris that the passions and issues of party politics should be allowed to impair in any degree that unity of resolve and of effort which is essential to the success of the allies may have been heard in London. The newspaper campaign against the prime minister appears to have been actuated by a very different motive from that which has prompted recent criticisms here of the administration at Washington.

The result was an illuminating example of the successful working of our Government system. No high officer was displaced, but the men in high places responded by an instant compliance with the popular demand. There were reorganizations, efforts at coordination, new and strong men were called in as aids and the administration itself asked Congress to enact a measure which would increase its authority and make possible a more effective exercise of its powers. The war machine was strengthened, and criticism ceased because it had accomplished the end sought.

There was far less admixture of partisanship here than in the movement against Lloyd-George, and the motive of pacifism, of opposition to a determined prosecution of the war was altogether absent, which was not quite the case in England. The result, however, is satisfactory there, as it is here. Mr. Lloyd-George is sustained, our administration is better organized for its work, and both Governments can devote their energies to the business of chastising the enemy of civilization with full confidence that they have the united support of the peoples behind them.

Mr. WILLIAMS. Mr. President, there are two real great forces in the international arena right now. One of them is Lloyd-George, representing Great Britain and world democracy; the other is Woodrow Wilson, representing America and world democracy. This tribute to Lloyd-George which has just been read was his triumph over the discontented members of the Parliament of Great Britain, who were objecting to his favoring a central military staff for harmony of purpose and unity of action with all the allies. Lloyd-George and Woodrow Wilson both agreed, as they ought to have agreed, that we ought to fight the Central Empires—Mittel-Europa, as the Germans call it—not with five distinct forces but with one force. Harmony of purpose, unity of action, concentration of effort. This is the result in Great Britain. I have had it read because I want it to have its effect upon the Members of the legislative body of this Federal Union.

If with the power to remove Lloyd-George he won his way out upon this policy, then the President of the United States ought to be supported by this national legislative body, in spite of the fact that he has no way of coming to them and laying down the gauntlet and saying: "Attack me if you dare; go to the public in a general election if you dare. Stop your little bit of wasp stinging and muckraking, wherever you are delivering them. I challenge you to the combat now."

The President of the United States has no such power. He has no such privilege and it is a privilege. Lloyd-George had it. He threw the gauntlet down to the Parliament, or to the men who had been muckraking and the men who had been politics playing and wasp stinging, and said: "Here I am. If I and my administration do not suit you, get another; but while I am here I propose to do my duty as I understand it, not as you understand it."

I wish to God that the President of the United States had the privilege of coming before the Congress of the United States and saying just what Lloyd-George did to the Parliament of Great Britain. I do not care about these little discussions as to what amount of income some corporation is to get here or there or on the other side; neither does anybody else care a cent about it, contrasted with this great question of winning the war. The great question before us is to win this war.

If there be Germans with the brains of Robert E. Lee or of the Duke of Marlborough, they will give us a heap of trouble, because there is a chance of breaking through the Italian front and attacking France in the rear, and having the balance of us retreat from the continent of Europe. While that is going on over there you are tweedledumming and tweedledeeing here about the verbiage of a bill. Thank God Lloyd-George did not have to tweedledum nor tweedledee, and I wish to God that the President of the United States did not have to do it through his Cabinet, through his spokesmen on this floor, whoever they are—I do not know; I am not one of them. I wish to God that he had the privilege of coming directly as the prime minister of Great

Britain and the real chief executive—because the King merely reigns; he does not rule—has the privilege there. I wish to God that he had this power of coming to us, and I want to say it seems to me that the American people are expecting you and me to get through with these appropriations, to get through with these necessary war measures, and then to go home and stay there as long as we can. Here are a whole lot of investigations started.

The VICE PRESIDENT rapped with his gavel.

Mr. WILLIAMS. Let me finish this sentence.

The VICE PRESIDENT. The time of the Senator from Mississippi has expired.

Mr. WILLIAMS. What effect has been achieved by them except to disturb a few American mothers and wives and put the seed of pessimism in their bosoms and to encourage our enemies—no other effect.

Mr. THOMAS. Mr. President, this bill is a measure of vast and immense importance and requires the exercise of our best thought before we shall crystallize it into a statute. I shall not attempt to discuss it in the short space of time to which I am limited by the unanimous-consent rule. That has been done so much better than I can that were I to attempt it I could but supplement what has been so much better stated.

But, Mr. President, I want to express myself briefly regarding one or two of the principal features of the bill. I have long ago reached the conclusion that Government control or possibly Government ownership may be the only alternative to the solution of our various transportation problems, but I do not think that an emergency war measure should be made the vehicle for such legislation or for any legislation not absolutely essential to the present emergency.

The President took possession of the railway systems of the country under the act of August 29, 1916. That act limits his possession to the duration of the war, when, unless we otherwise provide, the control of these systems will automatically be restored to their owners.

Now that is the tenure of possession which he has and the only tenure which he can defend. Legislation now being enacted should, in my judgment, confine itself to that emergency and should not embrace subjects brought in and attached to the measure, thus making it a vehicle for legislation designed to be permanent in its character, and which the deliberate judgment of the people may not approve. A bill of this character should contain nothing regarding the time to which governmental possession should extend after the end of the war.

Therefore that section of the bill designed to extend Government control to 18 months after the end of the war should not, in my judgment, be adopted, for it is out of harmony with the general purpose of the bill.

Mr. President, another feature of this bill to which I will briefly refer relates to rates of transportation. It is foreign to the purpose of the bill and should not be in it. What right have we—what exigency exists to justify giving to the President or any other individual or official the power to initiate rates? It will be observed that that power is not limited to the duration of the war, but if there is to be a general extension of this possession, of course that power should govern until repealed by subsequent legislation.

But even if it were an emergency need, I should hesitate before voting to place such a power in other than the hands where it has rested for years and where the power has been properly exercised.

The pretense made during the last year or two that higher rates were necessary to save our roads from bankruptcy is wholly untrue. That is demonstrated to be the fact by the returns which we are to use as the average of the compensation to be granted to the railroads under Government control, which disclose that in 1916 and 1917, when the clamors of the roads for higher rates were greater and louder than ever and the pressure upon the Interstate Commerce Commission was more severe, they earned more money than they ever made annually in all the history of transportation.

Why under such circumstances is it necessary either to require the Interstate Commerce Commission or any other body or any other official to change rates? Why endow them with the power of initiating other rates which will be enhanced if a change is made?

Mr. President, one more word and I must yield the floor. I am sorry the Senators were not in their seats day before yesterday to listen to the discussion of this bill and the proposed substitute by the junior Senator from Michigan [Mr. TOWNSEND]. I am sure you would have been convinced had you been here, as I was, that the substitute he has offered is absolutely essential to clarify and make intelligent the bill reported by the committee. That is making no reflection upon the committee. It

has unquestionably done the best it could in the time at its disposal; but the Senator from Michigan has told us the bill was not prepared by any member of the committee, it was prepared upon the outside and sent to it, and the committee has doubtless been too busy listening to testimony and holding its sessions to closely consider the phraseology of the bill. There are serious defects of expression regarding many of its vital features.

The Senator from Michigan offers no new suggestions. He introduces nothing of a novel character in the bill or differing materially from that which has been reported. He points out its verbal imperfections and its very serious defects, and asks that the bill shall be so changed in its phraseology as to recite what we want to express, and thus avoid appeals to the courts.

If his substitute is rejected I shall later on offer a number of specific amendments to the bill as reported out of committee.

Mr. KELLOGG. Mr. President, I should like the attention of the Senate for a moment while I explain, in a few words, what I believe this amendment would accomplish.

You will remember that under section 5 of the bill the railroads are permitted to pay their regular dividends that they paid for the last three years. The effect of this amendment is, in substance, to take all the income above the dividends and turn it over to the Government and make it Government money and make it a part of the revolving funds, and if loaned to the railroads they must pay back with interest.

Now, the effect would be this: The railroads would pay the same dividends. That would be their standard return. They could not receive one dollar above the dividends they have paid for the last three years. No railroad in the world can live any number of years if it has no income to invest in betterments and improvements above its dividends. It is perfectly clear that there are hundreds of millions of improvements made upon the railroads, and sometimes they amount to hundreds of millions in one year. They are of a class which do not pay a return to the railroad company, like new stations and elevated tracks and many other improvements which the public demands and is entitled to, but which do not return any revenue to the character.

I do not believe that the company should be held down to the exact amount of dividends which they have paid during the last three years. Let me illustrate it by some of the cases mentioned by the senior Senator from Iowa [Mr. CUMMINS]. Take the New York Central. It has paid for many years 5 per cent upon its stock. It has earned sometimes 1 and sometimes 3 or 4 and sometimes 5 per cent more than that, and that money has been invested in improvements and betterments, the same as it has on other roads in this country. The President would take every dollar above the 5 per cent from the New York Central Road, and he could loan it to a broken-down railroad, like the Western Pacific or the Missouri Pacific, or some other company. I do not believe that that is fair.

Now, take the Burlington, about which so much has been said. It is said in the tables presented by the senior Senator from Iowa that this return would give about 22 per cent. I believe, however, that is based on the two best years, and two years only, but it did not pay 20 or 22 per cent. As a matter of fact, the Burlington has paid 8 per cent on its capitalization of \$110,000,000, and the balance of its income has been invested in improvements and betterments. The total capitalization of the Burlington Road's stock and bonds is less than \$30,000 a mile. Nobody would claim that the Burlington Road is not worth more than that.

Mr. REED. Mr. President—

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Missouri?

Mr. KELLOGG. I yield for a question.

Mr. REED. Just for a question. Does the Senator wish us to understand that the Cummins amendment proposes to take the earnings of one railroad and turn them over to another railroad?

Mr. KELLOGG. The President could do that, because they are now a part of the revolving fund, and he may advance that money to any road he sees fit. He may take the earnings of one road and loan them to another.

Mr. CUMMINS. Mr. President—

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. KELLOGG. I can not yield. My time is very short.

The amendment of the Senator from Iowa does not equalize the compensation of the railroads any more than the bill does. The amendment of the Senator from Iowa gives each road the dividends that it has paid. The same equality of rates to the stockholders is preserved in his amendment as that he complains of in the bill, but it does confine the railroad's earning the

standard returns to the dividends it has paid during the last five years.

It is said that these earnings are unequal. I am not going into the details of that question. They are no more unequal than the dividends which have been paid. For instance, under this amendment, if a railroad had paid 2 per cent or 3 per cent, but had earned 5½ per cent, its standard return is only 2 or 3 per cent, and the balance over and above 2 or 3 per cent which it expended would be taken from that railroad, and if it is loaned back to it, it must pay it back to the Government and pay interest upon it, and it can not use its own money for purposes of capitalization. I do not claim that incomes should be capitalized above a reasonable return upon the capital, but in a case like that it would be great injustice to a road only paying 2 per cent.

It was impossible for the committee to equalize the payment to stockholders on all the roads of the United States. We have not the power to do it if we had had the time to inquire into each railway property. We could not say just what should be paid to a railroad company for the use of its property. As has been said here, that is a judicial question. All we did do was this: To say that the President might negotiate an agreement. But rather than let the President go to a higher figure than the average of the last three years' net earnings of the railroads we would compel a railroad to go into the court.

Between the highest point between these average earnings and other lower point we authorize the President to negotiate.

As I said before, the tables submitted by the senior Senator from Iowa, which are contained on pages 2199, 2200, and 2201 of the Record, are not tables of the dividends the railroads have paid during the last three years and which under this bill they would be authorized to pay to their stockholders. They can not pay any greater dividends than they paid in the last three years. Those tables represent the entire net earnings of the railroad companies above the interest upon their bonded debt if paid out to the stockholders in dividends.

But as I said before, it is impossible for the railroad companies of this country or any other country to pay out of their net income any dividends. It would bankrupt any railroad in 10 years.

Mr. REED. Mr. President, I understood the Senator from Minnesota [Mr. KELLOGG], in substance, to state that the proposition contained in the Cummins amendment is to take the earnings from successful roads and turn a part of those earnings over to unsuccessful roads. I do not get that meaning out of the amendment; but I want to ask the Senator from Iowa what is his construction of the amendment in respect to which I have just referred?

Mr. CUMMINS. Mr. President, in no sense does the amendment do what the Senator from Missouri understood the Senator from Minnesota to say. I really did not understand the Senator from Minnesota quite to affirm that proposition. We are guaranteeing to the roads a certain income, and all that the property earns above that income is not railroad money; it is Government money. The only difference between my amendment and the bill in that respect is that I prescribe a different income—a lesser income—with regard to certain roads; and the surplus above that no more belongs to the railroads than the furniture in this Chamber belongs to the railroads. It belongs to the Government of the United States, and the Government can do whatsoever it pleases with it.

Mr. REED. Does not the surplus which would come from the roads that are covered by the Senator's amendment take exactly the same course as the surplus from other roads?

Mr. CUMMINS. Precisely.

Mr. REED. Then the only thing the Senator's amendment does is to put a limit upon the profits of certain roads that will receive very high compensation?

Mr. CUMMINS. Precisely.

Mr. REED. I thought that was the situation.

Mr. SMITH of South Carolina. Mr. President, I think, in justice to the committee, it ought to be brought to the attention of the Senate that, from the use of expressions on the floor, the public and perhaps some Members of the Senate are getting the idea that the Government is going to pay the railroads a certain amount. The truth is that the Government is not proposing under this bill to pay anything at all. What it proposes to do is this: In the emergency certain railroad corporations and organizations, comprising in their entirety the railroad systems of this country, are essential, under the new order of things, for the proper prosecution of the war. That new order, in the wisdom of the President, was for him to take control of their operation. That contemplates that the same ownership shall still exist; that the same employees and operatives shall still be

employed. We say to the railroads: "We shall assume Government control and allow you to make the same amounts that you have been making on the average for three years; and if, under Government control, we make more than you have been making, we will put it into the Treasury; but if, under our management or mismanagement, there is a loss, we will assume it." But not one dollar is pledged out of the Treasury, save to make good the loss that might accrue under Government management.

There have grown up surpluses in some of the roads, but they grew up, not by any power on the part of those roads to profiteer, because we have had them in the rigid grip of the Interstate Commerce Commission, which, under the act of 1910, was given the power to say how much any and every road in this country in the maximum should earn.

I have taken some time to look into the question of rate structure, the long and short haul, joint rates, the equalizing of the opportunity for the commercial and business world, so that one road would not have too great an advantage over another. It is a delicate and difficult problem to work out. I believe that the Interstate Commerce Commission, with the best information and light it has had, has, as well as it could under the law, worked out equality, as far as possible, between the public and those who own this property. Be that as it may, they worked it out under the sanction and by the power of the law which we enacted. In the emergency we took over these roads and said to them, "We want you still to operate the roads; we want you to do away with personal interest, with selfish interest, and to turn them into the hands of the great impartial Government of the United States, so that they may advantageously divert freight and so they may divert traffic."

Mr. GALLINGER. Mr. President—

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from New Hampshire?

Mr. SMITH of South Carolina. I yield to the Senator.

Mr. GALLINGER. I have listened to this debate with great interest; and I have noticed that objection has been made by one Senator at least, and perhaps by more, that in determining the compensation of the roads the committee has taken two fat years—the years of the war—as the basis upon which to fix the compensation. I want to ask the Senator from South Carolina if it is not reasonable to suppose that, if the Government had not taken over these roads during the continuance of the war, the roads would, in all human probability, have earned as much as they did during the two years which have passed since the war commenced?

Mr. SMITH of South Carolina. Why, as a matter of course, Mr. President, if the same conditions were to exist in 1918, in 1920, or in 1921 which existed in 1916 and 1917 the roads would be the beneficiaries of them.

But the point that I want to stress is the iteration and reiteration of the statement that we are going to pay the railroads exorbitant amounts of the people's money. You were doing this before the war; the railroads were not allowed to earn a dollar more during the war than they were earning before the war. The only excess profits they got were for excess services rendered by virtue of the war.

I hold no brief for the railroads. I am simply standing here trying, as an honest American citizen, to do justice under an emergency, and not to attempt to obtain goods under false pretenses. We have taken the roads over as we found them and as they were controlled by the laws that you and I enacted. The railroads were not earning a dollar more than the Interstate Commerce Commission allowed them to earn under congressional action. The only thing that we guarantee is that if under Government control there is a loss we will make it good. If there is a profit we will put it into the Treasury and say to them, "Go on and earn the average that you have earned for three years under Government control and under Government restrictive action."

I do not know whether or not the roads were making too much money or too little, and there is no man on this floor who knows. We have passed here a bill for the physical valuation of the roads. The committee called Judge Prouty in, and he said, "We expended \$11,000,000 and have not secured information that is worth 1 cent to the committee." That is the situation. Men may assume knowledge here. As some one has said, "There is a great amount of conjecture that can be gotten out of mighty few facts." We do not know the value of the roads; we have had no way of finding out their value. The Interstate Commerce Commission has been allowing them a certain rate, which has been fixed after certain observations. The amount does not depend upon the capital stock or the real investment, but it depends upon what the commission believes to be a just, fair,

and equitable rate, taking all the circumstances of commerce under consideration.

I will join the Senator from Iowa and will join the Senate. If I am fortunate enough to be alive and to be a Member of it when this emergency shall have passed, in taking up this problem and solving it once and for all; but I do submit that in the midst of this emergency, these corporations having earned what they did earn under the rules and laws passed by this body, it is not fair and it is not right to seize that property, and then, once it is in our hands, begin to say to them, either because of public opinion or because of any other coercive force, "We are going to dictate now what you shall have."

I thought that it was just to the committee to give what was the opinion of the committee after this question was debated and thrashed out there. I am not here pleading that the railroads should get what they are now getting, because I do not know that they should. It is a question of suspended judgment. I do not know what is just, because I do not know what it cost to build, maintain, and operate the roads, and nobody else does.

Any two corporations in a given territory can start out under identically the same conditions to build a railroad. One by shrewd executive ability and shrewd financing will build one road at a less cost than the other, but the roads will render the same service to the public, yet the cost of one differs from the cost of the other as the financial ability with which one is managed differs from the other. It is a complex problem; it is one that involves so many diverse elements that a majority of your committee, in all honesty, thought that with this emergency we should allow the railroads to earn the average of three years under the same conditions—the war conditions—under which we took them. Therefore I do not want it imputed to me that I am standing here to gouge out of the American people an unholy stipend.

Mr. SHERMAN. Mr. President, some of the discussion of this amendment seems to proceed on the idea that the money invested in the railways of this country is all public property; that it belongs to the Government. Essentially all of it, on the contrary, is a private investment impressed only with a public interest and subject to governmental control. Every share of railway stock in this country is as much private property, except as subject to regulation by law, as is industrial stock or real estate. It is subject, with certain other kinds of property, to governmental regulation; it has been impressed with that public interest from time immemorial under the English rule, from the days of the stage coaches that ran out of London, which were the original common carriers. All of them have been impressed with that interest and have been subject to governmental control. Railways are in that condition now. There is very little distinction in the discussion between control and regulation and there is less for future legislative purposes.

The majority of the committee faced the problem of what should be the basis of charging the Government for the temporary use during the war of this private property so subject to governmental control. If they had adopted the capital stock as the basis of compensation, they would necessarily have adopted the method of capitalizing nearly 1,300 individual railways in the United States with the good and the evil and with the sins and the virtues of that capitalization. They would have penalized every conservatively managed road and capitalizing process in the country, and would have put a premium upon every watering process that has been the subject of proper criticism here and elsewhere. So they finally took another basis, making it the operating income of the roads.

Being private property, I do not consider that anything above the standard return provided in section 1 belongs to the Government. The Government must pay for the use of the property, as a majority of the committee has wisely decided, on a given basis other than that of the earnings on the mere capital stock. Having done that, any surplus is the earnings for the stipulated time on private property, not on public property.

I am entirely oblivious to the claims made by many eminent public authorities and professors of economics who are engaged in a Bolsheviki campaign in this country, and have been for many years, without any general obvious understanding on the part of the public. Notwithstanding these distinguished gentlemen, this is all private property, and what it earns over and above the compensation paid by the Government belongs to the private-property interest.

I want to turn to a concern whose home office is in Chicago, which is known as the Illinois Central Railroad. This amendment would penalize the very conservative management of that road. It has never been a speculative road from the time in 1850 when Senator Douglas introduced a bill in the Senate, which finally passed, that made the land grant that was the basis of the road in the pioneer days. It has been a 7 or 8 per cent stock and has been considered as safe as any bank stock

in the United States. That company has never passed a dividend since 1858 or 1859 from the time it began to operate its road. It has a conservative issue of stock and has never overestimated at all its property value. For instance, under the general-balance head of "Property owned and securities held in the treasury"—that is, of property and securities of subsidiary lines, which that road has bought and controls and operates and holds in its treasury—it is shown that these two items alone constitute a total of more than \$276,000,000. It is further shown that it has a total property valuation of \$304,000,000, with a stock issue on that property valuation of \$109,000,000 and a bonded indebtedness of \$154,000,000.

As to that road the amendment of the Senator from Iowa [Mr. CUMMINS] would, as the Senator from Minnesota [Mr. KELLOGG] suggests, work a gross injustice; it would establish a false standard. Their machinery becomes obsolete; they do not wear it out, but some one invents something else, and in the machine shops at the terminals machine after machine that cost thousands of dollars is discarded overnight because some invention has been perfected whose labor-saving features make it wise to discard and throw away the old machine and buy another that may cost twice as much as the old one. In the operating departments of all the great railways of the country instance after instance of that kind can be found. To cover this obsolete property, depreciation, and repairs to track facilities, structures, and appurtenances it is necessary that a surplus be continually set aside to meet emergencies. All that would be ignored by this amendment, and I think it would work a very grave injustice to the interests concerned.

Mr. ROBINSON. Mr. President, I think the Senator from Minnesota [Mr. KELLOGG] was correct in his construction of the amendment of the Senator from Iowa [Mr. CUMMINS], at least the conclusion which he drew was not unwarranted. The amendment provides on page 2:

The surplus over and above the standard return as so computed shall be paid into the revolving fund hereafter created, and such part thereof as may be necessary shall be used in additions, betterments, and extensions to said property.

It will be remembered that under section 6 of the bill a revolving fund is to be created, to be used for the benefit of all the roads. If the effect of the amendment of the Senator from Iowa is to reduce the compensation of particular roads, it will also have the effect of increasing the amount that shall go to the benefit of the Government and into the revolving fund, and, notwithstanding the provision in the amendment that any sum that may be necessary shall be used for betterments and extensions on the particular roads earning the money, a portion of their earnings may be used on other roads, and such portion will be correspondingly increased as the amount of compensation awarded to particular roads is reduced.

Mr. CUMMINS. Mr. President—

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. CUMMINS. Suppose under the bill as it is the Pennsylvania Railroad were to earn a million dollars more than the standard return, what would become of that million dollars?

Mr. ROBINSON. It would undoubtedly go to the benefit of the Government.

Mr. CUMMINS. And could be used on other property?

Mr. ROBINSON. Yes; but now, to carry the illustration further—

Mr. SMITH of Georgia. Mr. President, if the Senator from Arkansas will allow me, if it is used on other property, that property would be charged with it, and it would be a debtor to the Government to that extent.

Mr. ROBINSON. Certainly. But now, to carry the illustration of the Senator from Iowa just a little further, suppose, for the sake of illustration, that we limited the amount of compensation to be awarded to these roads to 1 per cent, there would be an enormous fund which they had earned in the nature of a surplus which would be paid into the revolving fund, and it would not be necessary to use that fund or any considerable portion of it on the particular road earning it. Therefore, the remainder of it would be used for the benefit of other more improvident roads. So I maintain that the Senator from Missouri was correct in his implication in the question he asked the Senator from Iowa a few moments ago.

Mr. TRAMMELL. Mr. President, in studying the features of the bill pertaining to the question of compensation I observe that the committee has not declined to attempt to adjust inequities on account of poor and inadequate income received by a railroad. The bill seems to take into consideration the fact that a railroad may be losing money, and if it has been losing money that then the Government should guarantee to it a reasonable compensation. I take the position, Mr. President, that if it is within the province of Congress to deal with the equities in the case of a railroad that is operating at a loss, then it is

equally within the bounds of propriety for Congress to deal with the question of excess. I do not believe if any number of railroads have been making excess profits that when it comes to a question of Congress dealing with that subject then Congress should perpetuate those excesses.

If I understand the function of the Government in dealing with the railroad problem it is to do justice both to the railroads and to the patrons of the roads who furnish the sinews of war for their operation. If a number of the railroads of this country have been making excess profits during the past three years, then, performing the proper functions of government, I conceive it to be the duty of the Interstate Commerce Commission to reduce the rates to a point where they would only make reasonable compensation, instead of for Congress to give sanction to the excess profits that have been made heretofore. Therefore I hope the amendment offered by the Senator from Iowa will be adopted.

It is inevitable that if we put the railroads of this country that have been losing money upon a reasonable paying basis, and if we guarantee to the railroads that have been making excess profits a continuance of their excess profits, then there is going to be a deficit in the revenue, occasioned by the necessity of building up the railroad that is not making a profit, which will necessarily have to be raised by taxing the American people for that purpose, or else by raising rates. That is the proposition that confronts us. The people of this country will have to pay additional taxes in order that a certain class of our railroads shall continue to enjoy excess profits and in order that another class of railroads shall be put upon a paying basis, or else railroad rates will have to be increased.

I think, Mr. President, when we are dealing with the properties and the rights of the railroads and of the stockholders of the railroads—and I would not do them an injustice—we should also consider whether or not by our action we will impose an injustice upon the American people in enacting the proposed legislation. I submit, Mr. President, that for the Government to endeavor to place the entire railroad systems of our country on a paying basis and to permit certain systems to continue to receive excess incomes and to require that burden to be met by the American people either in the way of increased traffic rates or else by taxes which shall be levied upon them is favoritism to the railroad operators of this country and a discrimination against the American people who will have to bear the burden imposed on account of such action. So I hope the amendment offered by the Senator from Iowa will be adopted.

Mr. UNDERWOOD. Mr. President, the real import and purpose of the first section of this bill have been set forth a number of times already; but I think there is still some misapprehension as to the real status of the first section of the bill before the Senate, and therefore I am bold enough to restate it.

The question that confronts us is not the taking over of the railroads; they are already in the hands of the Government. The question before us is not the fixing of a just compensation for the property taken, because the courts have repeatedly held that that is a judicial function, and not a legislative function. We have no direct power to determine what is just compensation under the Constitution of the United States for the taking of these railroads by the Government. No matter what we might attempt to do in the way of legislation, it would fall into the wastebasket when it reached the Supreme Court of the United States, if we were to attempt to determine what is the fair compensation that should be paid for the use of the railroads during the life of this bill. Therefore the committee has attempted to do neither. It has not proposed legislation to take over the railroads; it has merely recognized, by the bill reported, an existing status. It has not in this bill attempted to determine what would be fair compensation to pay the railroads for the taking of their property, because there was not a question raised in the committee by any member of the committee, or by any man who appeared as a witness before the committee, that Congress had the power to determine what just compensation was. I think I can call on the distinguished Senator from Iowa, the proponent of this amendment, to justify my statement in that respect.

Mr. CUMMINS. Mr. President, unquestionably that is true. The section is confined to the matter of providing for agreements between the railroads and the Government.

Mr. UNDERWOOD. Now, the issue before us at this time is in relation to the attempt on the part of Congress, responding to a request by the President of the United States, to provide the machinery by which the President can make agreements with the railroads as to what is just compensation, without forcing them to go to the courts to have the courts determine what the amount shall be. That is all that is involved in the first section—merely a question as to whether we will authorize the President to enter into agreements with the railroads before they go into

court or whether we shall force them to go into court to get the just compensation for which the bill provides.

I do not combat a great deal of what the Senator from Iowa has said in reference to these matters, but I am not sure that either the Senator from Iowa or myself or any other Member of this body, if to-day we were sitting on a tribunal to determine what was just compensation to these railroads for their taking, would be prepared to determine that matter now and find a just verdict, without further evidence and a further understanding of the situation.

But we are not confronted with that case. It is beyond our jurisdiction. The only issue involved here is the question as to whether or not we will give the President of the United States the power to make a temporary settlement with these railroads for their taking; to agree with them on a rental value for the period of this war and a few months thereafter.

As I said yesterday, if this were a permanent taking, a permanent agreement, I would not be willing to refer the matter to the executive branch of the Government. Under constitutional limitations it belongs to the judicial branch of the Government; and if it were a permanent taking I would insist that the finding of this verdict should go where the Constitution naturally places it, in the hands of the courts. But I recognize that as it is a temporary matter, to avoid financial complications, to avoid delays in operation, the more speedily we determine this question of compensation the better it is; and as a temporary matter it can not produce a serious and a permanent charge on the people of the United States. Therefore I am willing to grant to the President the right to make this agreement.

If you are willing to do so, then why unduly limit the power of the President to make the agreement? That is all there is in the amendment of the Senator from Iowa. It is a limitation on presidential power in making this agreement. It does not fix the compensation; it does not determine it. It merely says, "You shall not go above a certain amount."

If the limitation that the Senator from Iowa desires to place in this bill requires the President to withhold his hand in making this agreement below a standard that is just compensation, we will throw these 86 railroad systems into the courts, because it is not natural to expect that the trustees of a great property are going to consent to accept a compensation that is unjust to the cestui que trust. They owe a duty to their stockholders. They must live up to that duty. If you put a limitation here that prevents the President from offering them just compensation, you drive these 86 roads into the courts, you delay this procedure, and possibly you may affect the finances of the whole Nation.

Mr. HITCHCOCK. Mr. President, I understand that under the amendment offered by the Senator from Iowa the stockholders to whom the Senator from Alabama refers would receive just as much in dividends under Government control as they had received in the past.

Mr. UNDERWOOD. They would in dividends, but they would not in returns. It has been repeatedly stated in this country, and it was repeatedly stated before the committee, that a well-organized, solvent, safely managed railroad should put one dollar in the property where it spent one dollar in dividends; that wherever it has a dollar to declare in dividends it ought to spend one dollar in the improvement of its system; and that has been done by a great many of the very systems to which this amendment applies.

Mr. THOMAS. Mr. President, may I ask the Senator whether, under this bill, the Government is not obliged to continue the work of improvement in the place of the company?

Mr. UNDERWOOD. No; not of improvement.

Mr. THOMAS. So that it can deliver the roads back to the companies in as good condition as it received them?

Mr. UNDERWOOD. No. The bill refers to maintenance, to repairs, to upkeep, but not to improvement. For instance, the Pennsylvania Railroad in the last 10 or 15 years out of its earnings has spent a vast deal of its money in wiping out grade crossings, putting in double-track systems, heavier rails, and improving the whole system of the road. That came out of its earnings and was expended in the interest of the traffic of the people of the United States. Now, that money, if taken away from them, would not go for that purpose, nor would the Government guarantee that money would be spent for that purpose. The Government under this bill merely guarantees that the system as it exists to-day shall be kept in good repair.

The VICE PRESIDENT. The time of the Senator from Alabama has expired.

Mr. TOWNSEND. Mr. President, I desire to state what I said before the committee—namely, that while I believe the compensation provided in the bill is greater than it ought to be, and there can not be any substantial argument, at least con-

vincing to me, presented to demonstrate that the compensation provided is just to the people, I was, however, for the reasons given by the junior Senator from Alabama [Mr. UNDERWOOD], willing that this arrangement or agreement should be made for the war emergency; but I did object most seriously to carrying this compensation over into a time of peace after the war had ended.

The railroad representatives before the committee in the first instance were very much in favor of ending the period of control; but some peculiar change came over them during the latter part of the hearings and they were then perfectly willing that this period of control should extend beyond the war indefinitely if necessary. The House committee has fixed 2 years and the Senate committee has fixed 18 months after the end of the war, after the emergency period has ceased; and this excessive compensation is to be paid during a time of peace.

I would like to have a vote on the last proposition first. If the Senate would confine the period during which this compensation is to be paid to the war I would not complain at this arrangement. I would be willing that the President should make an arrangement for the maximum amount. But not having made it, the two Houses having reported on retention periods of 18 months and 2 years, respectively, after the war, I can not support a compensation for a time of peace which I thoroughly believe to be too great.

The VICE PRESIDENT. The question is on the amendment of the Senator from Iowa [Mr. CUMMINS].

Mr. CUMMINS. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FRELINGHUYSEN (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WALSH]. I transfer that pair to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN], who is absent on account of sickness. I transfer that pair to the junior Senator from New York [Mr. CALDER] and vote "nay."

Mr. GRONNA (when Mr. LA FOLLETTE's name was called). I wish to state that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent because of serious illness in his family.

Mr. SHERMAN (when his name was called). I have a pair with the senior Senator from Kansas [Mr. THOMPSON]. I transfer that pair to the senior Senator from New York [Mr. WADSWORTH] and vote "nay."

Mr. TILLMAN (when his name was called). I transfer my pair with the senior Senator from West Virginia [Mr. GOFF] to the junior Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

Mr. MYERS (when Mr. WALSH's name was called). My colleague [Mr. WALSH] is absent on account of ill health. He is paired with the Senator from New Jersey [Mr. FRELINGHUYSEN]. This announcement may stand for the day.

Mr. LODGE (when Mr. WEEKS's name was called). My colleague [Mr. WEEKS] is absent, owing to the death of a relative. He has a general pair with the senior Senator from Kentucky [Mr. JAMES]. If present, my colleague would vote "nay."

The roll call was concluded.

Mr. GERRY (after having voted in the negative). Has the junior Senator from New York [Mr. CALDER] voted?

The VICE PRESIDENT. He has not.

Mr. GERRY. I understand that the junior Senator from New York, if present, would vote as I have voted on this matter. Therefore I ask that my vote in the negative may stand.

Mr. RANSDELL. I desire to announce that my colleague [Mr. BROUSSARD] is absent on account of illness.

Mr. McLEAN. I desire to announce that my colleague [Mr. BRANDEGEE] is unavoidably absent from the Chamber. If he were present, he would vote "nay."

Mr. WILLIAMS. I should like to inquire whether the senior Senator from Pennsylvania [Mr. PENROSE] has voted?

The VICE PRESIDENT. He has not.

Mr. WILLIAMS. I have a standing pair with the senior Senator from Pennsylvania. If he were present, I would vote "yea." As he is not present and not knowing how he would vote, I do not feel at liberty to vote at all.

The result was announced—yeas 23, nays 52, as follows:

## YEAS—23.

Ashurst	Hitchcock	Kenyon	Sutherland
Cummins	Hollis	King	Thomas
Gore	Johnson, Cal.	Kirby	Townsend
Gronna	Johnson, S. Dak.	McNary	Trammell
Hardwick	Jones, Wash.	Norris	Vardaman
Henderson	Kendrick	Reed	

## NAYS—52.

Bankhead	Jones, N. Mex.	Overman	Smith, Ga.
Beckham	Kellogg	Page	Smith, Md.
Culberson	Knox	Phelan	Smith, Mich.
Curtis	Lewis	Pittman	Smith, S. C.
Dillingham	Lodge	Polindexer	Smoot
Fernald	McCumber	Pomerene	Sterling
Fletcher	McKellar	Rausdell	Stone
France	McLean	Robinson	Swanson
Frelinghuysen	Martin	Saulsbury	Tillman
Gallinger	Myers	Shaftroth	Underwood
Gerry	Nelson	Sheppard	Warren
Hale	New	Sherman	Watson
Harding	Nugent	Simmons	Wolcott

## NOT VOTING—19.

Borah	Colt	Owen	Wadsworth
Brandegee	Fall	Penrose	Walsh
Broussard	Goff	Shields	Weeks
Calder	James	Smith, Ariz.	Williams
Chamberlain	La Follette	Thompson	

So Mr. CUMMINS's amendment was rejected.

Mr. PENROSE subsequently said: Mr. President, I wish to state that I was called out of the Chamber for a few moments while the vote was taken on the amendment of the Senator from Iowa [Mr. CUMMINS]. If I had been present, and had been at liberty to vote, I would have voted "nay."

Mr. ROBINSON. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 2, after the word "seventeen," in line 8, it is proposed to strike out the comma and insert a period.

It is also proposed to strike out all language in the bill on page 2, line 8, following the word "seventeen," down to and including the word "seventeen," in line 13, in the following words: "and in addition thereto an annual sum payable likewise in reasonable installments reckoned at a rate per cent to be fixed by the President upon the cost of any additions or betterments, less retirements, or road extensions, made during the six months ended December 31, 1917."

Mr. ROBINSON. Mr. President, this amendment will eliminate from the compensation which the President will be authorized under the bill to agree upon with the carriers, sums invested in the property during the six-month period ended September 31, 1917. It will leave what is called in the bill the "standard return" unaffected.

Most of the discussion which has been had in the Senate concerning the subject of agreements touching compensation has related to what is called the standard return, namely, the average annual operating income for the three-year period ended June 30, 1917. That was the recommendation of the President in his proclamation and message to Congress, and if the amendment which I have proposed is agreed to, the President's recommendation will be substantially complied with.

This provision in the bill would add to the total amount of compensation which might be awarded carriers in class 1 something like six and a half million dollars. It is impossible to state definitely the amount, for two reasons: In the first place, we do not know whether all the roads in class 1 will be retained under Federal control; and, in the second place, we do not know what rate or percentage the President will fix on the sums invested in the property during the six-month period.

Senators will observe by reading the language which I have proposed to strike out, that the President is authorized to add to the compensation which he may agree upon with the carriers a reasonable percentage upon the sums invested in the property during this six-month period.

A second reason that I feel justifies me in offering the amendment is that, in my opinion, it is not necessary to enable the President to effectuate these agreements. I believe that the standard return is adequate for that purpose, and that it is not therefore necessary to authorize the President to allow these additional sums.

A third reason, which I suggest, is found in the fact that it may complicate the difficulties on the part of the Interstate Commerce Commission in ascertaining the basis for compensation. It will require a somewhat extended investigation on the part of the commission to determine the amounts that have been invested in these various properties during the six-month period.

I do not know that there is anything further that I care to add, and I submit the amendment to the Senate for its consideration. I realize that it may be said that this, too, is embraced within the maximum authorization, and that the President is not compelled to award a percentage on sums invested by these carriers in their property during that period.

Mr. HOLLIS. Mr. President—

Mr. ROBINSON. I yield to the Senator from New Hampshire.

Mr. HOLLIS. Will the Senator kindly state whether his amendment tends to increase or to diminish the compensation to the railroads?

Mr. ROBINSON. I stated a moment ago that it will have the effect of decreasing by approximately \$6,500,000 per annum the amount of compensation which may be awarded carriers in class 1 by virtue of agreements, and that the exact amount can not be stated, because we do not know what percentage the President may fix, and we do not know the exact amount that the commission will find has been invested in the property for carrier purposes during this period.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. ROBINSON].

Mr. PENROSE. I call for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FRELINGHUYSEN (when his name was called). Making the same announcement as before, I vote "nay."

Mr. KNOX (when his name was called). Repeating my previous announcement, I vote "nay."

Mr. GRONNA (when Mr. LA FOLLETTE's name was called). I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent because of serious illness in his family.

Mr. SHERMAN (when his name was called). I have a pair with the senior Senator from Kansas [Mr. THOMPSON]. I transfer that pair to the senior Senator from New York [Mr. WADSWORTH] and vote "nay."

Mr. LODGE (when Mr. WEEKS's name was called). I make the same announcement of the absence of my colleague [Mr. WEEKS] and his general pair with the Senator from Kentucky [Mr. JAMES]. I will let this announcement stand for the day.

The roll call having been concluded, the result was announced—yeas 44, nays 34, as follows:

YEAS—44.			
Ashurst	Hollis	Nelson	Smith, Ga.
Beckham	Johnson, Cal.	Norris	Smith, Mich.
Culberson	Johnson, S. Dak.	Nugent	Sterling
Cummins	Jones, N. Mex.	Overman	Stone
Curtis	Jones, Wash.	Pittman	Sutherland
Fletcher	Kendrick	Pomerene	Swanson
Gore	Kenyon	Reed	Thomas
Gronna	King	Robinson	Townsend
Hardwick	Kirby	Shafroth	Trammell
Henderson	McKellar	Sheppard	Vardaman
Hitchcock	McNary	Shields	Williams
NAYS—34.			
Bankhead	Kellogg	Page	Smith, Md.
Dillingham	Knox	Penrose	Smith, S. C.
Fernald	Lewis	Phelan	Smoot
France	Lodge	Polndexter	Underwood
Frelinghuysen	McCumber	Ransdell	Warren
Gallinger	McLean	Saulsbury	Watson
Gerry	Martin	Sherman	Wolcott
Hale	Myers	Simmons	
Harding	New	Smith, Ariz.	
NOT VOTING—16.			
Borah	Chamberlain	James	Tillman
Brandagee	Colt	La Follette	Wadsworth
Broussard	Fall	Owen	Walsh
Calder	Goff	Thompson	Weeks

So Mr. ROBINSON's amendment was agreed to.

Mr. ROBINSON. On page 2, line 3, I move to strike out all after the word "income," down to and including the word "and," in line 6, and to insert in lieu thereof the following language: "of property operated by it on."

Mr. SMITH of South Carolina. That does not change the meaning at all, but simply clarifies the language.

Mr. CUMMINS. I ask that the amendment be read at the desk, so that I can clearly understand it.

Mr. ROBINSON. It is not printed, but I can read it again.

Mr. CUMMINS. I did not quite hear what the Senator from Arkansas said, and I ask that it be read at the desk.

The PRESIDENT pro tempore. It will be read.

The SECRETARY. On page 2, line 3, after the word "income," strike out the remainder, down to and including the word "and," in line 6, before the word "December," and insert the words "of property operated by it on," so as to read:

Railway operating income of property operated by it on December 31, 1917.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Arkansas. [Putting the question.] The yeas seem to have it.

Mr. SMITH of Georgia. I desire to ask that the amendment be stated once more. It may be very important.

The PRESIDENT pro tempore. The Secretary will again state the amendment.

The SECRETARY. On page 2, line 3, after the word "income," strike out the following words: "including therein such income of lines acquired by, leased to, or consolidated with such carrier between July 1, 1914, and," and insert "of property operated by it on," so as to read:

Equivalent as nearly as may be to its average annual railway operating income of property operated by it on December 31, 1917.

Mr. TOWNSEND. Does the Senator keep the parentheses? Mr. ROBINSON. Strike out the parentheses. That is correct. I thank the Senator from Michigan for calling my attention to it.

Mr. SMITH of Georgia. I desire to ask the Senator from Arkansas to make some further explanation of the necessity for that change. A change in the language might affect very seriously roads, at least, in my own State where one of the most important railroads is leased and the State receives from it a large revenue.

Mr. ROBINSON. The language that is used in the bill is to my mind ambiguous and certainly not as clear as it might be. This language was suggested to me by an expert and is intended to accomplish the same end that was in mind when the other language was written. It simply provides that in ascertaining the average annual railway operating income there shall be included property operated by the carrier on December 31, 1917.

Mr. THOMAS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Colorado?

Mr. ROBINSON. I yield.

Mr. THOMAS. Does not the Senator think that the word "lines" would be better than the word "property"? The word "property" is very broad and might include other than railway systems or railway lines.

Mr. ROBINSON. I think the word "property" is better.

Mr. TOWNSEND. Mr. President, this and the other amendment which was adopted was suggested by me as provisions which require amendment in order to clarify them. It does not seem to me that the amendment the Senator from Arkansas has offered makes much clearer if any the expression already used in the bill. There are several amendments which ought to be made to the bill prior to this one. For instance, we ought to determine the question of ownership. We ought to determine that question at the beginning, in order that we may know with what companies the President is authorized to make agreements.

The part in parentheses, a part of which the Senator from Arkansas proposes to strike out, which was certainly unintelligible before, evidently was intended to cover a system of roads, and the agreement was to be made with the system; but it was discovered also that a road operated by that system might not be the owner entitled to the compensation during the period of Government control. It is possible to conceive that a trunk line might own the majority of stock in line A, and line A under the definition heretofore given in the bill makes report to the Interstate Commerce Commission. That is the road which is entitled to make the agreement with the President in reference to taking over the road.

May I submit to the Senator from Arkansas and to the Senate whether this proposition does not make absolutely clear what we intend to say in the bill? I propose to strike out the parentheses and all the words down to the period in line 21 and insert:

If any lines were acquired by, leased to, or consolidated with such railroad or system between July 1, 1914, and December 31, 1917, both inclusive, and separate operating returns to the Interstate Commerce Commission were not made for such lines after such acquisition, lease, or consolidation, there shall be computed—

Which we have stricken out, however; it has to be changed in that respect—

shall be computed, to be added to the total railway operating income of such railroad or system for the three years ending June 30, 1917, the total railway operating income of the lines so acquired, leased, or consolidated, for the period beginning July 1, 1914, and ending on the date of such acquisition, lease, or consolidation, or on June 30, 1917, whichever is the earlier.

That fixes the proposition that we are dealing with, the owner of the road, and that amendment I propose to offer if the committee does not. I define it as the company or system which is entitled to the possession of the road during the time of Federal control.

Mr. SMITH of Georgia. May I ask the Senator a question?

Mr. TOWNSEND. I yield.

Mr. SMITH of Georgia. I wish to ask the Senator whether the language in parentheses would mean that the lease or consolidation must have taken place during this time or merely that it existed during the period?

Mr. TOWNSEND. That which is in parentheses refers to the long time, the full period from July 1, 1914, to December 31, 1917.

Mr. SMITH of Georgia. But I mean, must the lease be made during that period or must it simply have existed during that period?

Mr. TOWNSEND. On the very first page the bill provides for compensation during this period, and there is no definition and

no distinction as between that and the road taken for only a part of the time. If I could have been permitted to have presented some of the amendments which I think are absolutely vital in order to the understanding of this proposition there would have been no misunderstanding between us.

Mr. ROBINSON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Arkansas?

Mr. TOWNSEND. I yield.

Mr. ROBINSON. There is a provision in the bill to the effect that no compensation shall be paid to any road for any period that it is not within Federal control. So if the President releases any railroad, compensation can not be paid it after that time.

Mr. TOWNSEND. That is not, of course, the exact point I have offered.

Mr. ROBINSON. I understand it is not.

Mr. TOWNSEND. I will be very glad to meet that when we reach it.

Mr. SMITH of Georgia. The point about which I ask the Senator is this: Suppose a lease was made prior to the time and existed during the period of taking given in the parentheses. Does the language in parentheses require that the lease shall be made within those dates or merely require that it existed within those dates?

Mr. TOWNSEND. I do not know.

Mr. SMITH of Georgia. That is the information I wish.

Mr. TOWNSEND. I assume it means for the period, but it does not say so. The provision in parentheses, I submit, is subject to great speculation as to just what it does mean. We have stricken out a part of the matter in parentheses.

Mr. SMITH of Georgia. I suggest that we pass this amendment over for the present. It may be a very vital question in several States where the States own roads and the roads have been leased to other roads. I ask the Senator to let it be passed over.

Mr. ROBINSON. I have no objection to passing it over. I will withdraw it. The sole purpose I have is to clarify and improve language in the bill that I think is ambiguous. I ask that the amendment be passed for the present.

The PRESIDENT pro tempore. The Chair understands that by unanimous consent the amendment will be temporarily passed over. The Chair hears no objection.

Mr. THOMAS. I understand the amendment was carried, and was so announced by the Chair, and then the Senator from Georgia asked for further information.

The PRESIDENT pro tempore. The Chair will state for the information of the Senator from Colorado that the Chair stated that the ayes seemed to have it, when a yea-and-nay vote was called for, as the Chair understood it.

Mr. THOMAS. No yea-and-nay vote was called for on this amendment.

The PRESIDENT pro tempore. The Chair understood that the yeas and nays were demanded.

Mr. THOMAS. Not demanded.

Mr. TOWNSEND. I present the following amendment.

Mr. SMITH of South Carolina. Before the Senator presents that amendment I wish to make just one statement in reference to this amendment.

Mr. TOWNSEND. If it is understood that I am not yielding my time—

Mr. SMITH of South Carolina. It will be understood.

Mr. TOWNSEND. Otherwise I could not yield, because by the time the Senator made his statement my time might be exhausted.

Mr. SMITH of South Carolina. It will take but a minute, and I think it will not be deducted from the Senator's time.

The PRESIDENT pro tempore. The Senator from Michigan has the floor. The Chair must, under those circumstances, rule that if he yields, he yields his time. There is no other way in which orderly proceeding under the unanimous-consent agreement can take place.

Mr. ROBINSON. I ask unanimous consent to withdraw the amendment, if that is satisfactory to the Senator from South Carolina?

Mr. SMITH of South Carolina. That is very satisfactory to me.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and unanimous consent is given to withdraw the amendment.

Mr. TOWNSEND. I offer the following amendment. It is in reality a series of three amendments, but as they are all closely connected I offer them as one, and during the 10 minutes time I can discuss the three I am sure.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 1, line 6, strike out the words "called herein carriers" and the parentheses.

On page 1, line 7, strike out the words "any such carrier" and insert "the owner of any such railroad or system."

On page 5, line 14, insert a new paragraph, as follows:

Whenever used in this act the word "owner" includes any person, corporation, partnership, or association who during any portion of the period of Federal control of a railroad or system of transportation would be entitled to the possession, use, and control of such railroad or system in the absence of Federal control thereof. Wherever in this act reference is made to the period of Federal control in connection with an owner it shall be taken to refer to the portion of such period during which such owner but for such Federal control would have been entitled to the possession, use, and control of the railroad or system of transportation.

Mr. TOWNSEND. Mr. President, may I have the attention of the Senate, because, as I said yesterday, I am presenting no captious amendment? I am trying to keep the exact intention of the committee without incorporating any of my own ideas as to what the bill ought to be, but trying to make clear what we actually attempted to do.

In the first place, as to the first amendment, in line 6, I move to strike out the words "called herein carriers" and the parentheses that go with it. The carrier is referred to above, as you will notice, as "certain railroads and systems of transportation." All through the bill, with the exception of three cases, we do not mean railroads or system of transportation when we refer to the word "carrier," but we mean the corporation, the personality, if I may use the term, which can make a contract or an agreement.

A railroad can not make an agreement. A system of transportation can not make an agreement. It must be the owner of the railroad or the system.

Then, at the end of this paragraph I define what an owner is. An owner of a railroad is the one who was entitled to the use, occupation, and possession of the road during this period or any portion of this period, and only for such portion should it be entitled to the compensation.

Farther down, in line 7, on the next line, I move to strike out the words "any such carrier" and insert "the owner of such railroad or system."

With those provisions in the bill we have made clear that we are dealing with the railroads that are entitled and have a right to make an agreement or contract. No one else can make an agreement. It can only be made with a company that is entitled to the possession of the road. For instance, as I said before, if we make an agreement with a system for the period of Federal control, which we have defined here to be the period of control by the Government, and if that system is at the time the agreement is made entitled to the operating income from a branch line, that ought not to continue throughout the whole period unless it owns that railroad during the whole period. The object of these two amendments is to correct those inequalities and to make clear just exactly with what companies the President has the right to make the agreement.

So I have offered these amendments. I think every Senator will agree who has followed me that they will make clear the evident intention. I shall show as we go along a good many difficulties that we shall encounter by using improperly these two or three expressions.

Mr. KELLOGG. Mr. President, I think the bill is perfectly clear as it is, so why define the carriers to be the railroads and systems of railroads which the President has taken over? Under that, of course, the President can not make an agreement with anybody who is not the owner of a railroad. He makes the agreement with the corporation which owns the railroad, and he would not be so foolish as to attempt to make an agreement with somebody who did not own the railroads. For instance, the Pennsylvania Railroad was taken over. The President may say to the Pennsylvania Railroad System, "I will make an agreement with you as an entire system, and I will not make an agreement with each separate railroad in the system of railroads which your company owns by stock ownership."

The word "railroad" was put into the bill; it is not in the proclamation, so that if there should be any possible question that some individual line was not a part of a transcontinental or, rather, I will say, an interstate-commerce system, it would cover it. In my own judgment "systems of railroad or transportation" would have been all that was necessary to have said in this bill. The President does not take over the physical property, of course. The physical property is in certain railroad corporations. When he takes over the corporation the title of the property is not changed, and he deals with, and we deal with, and we guarantee to, of course, the corporation which owns the property and which operates it.

It does not seem to me that this amendment makes it any clearer. I have not had time to examine it with care; but I do wish to say that it is not true that the committee spent all of

its time listening to testimony and did not give any attention to the language of the bill. I do not believe that the bill is perfect; but I believe it fairly represents the idea of the committee, that the President was authorized to deal with these roads individually or were a system of roads controlled by one company to deal with the system. It does not seem to me necessary to state in this bill that the President must deal with the corporation which owns the road.

Mr. CUMMINS. Mr. President, neither the bill nor the amendment proposed by the Senator from Michigan [Mr. TOWNSEND] is entirely clear to me upon this point. It must be remembered that the term "carrier," which the Senator from Michigan seeks to strike out, or at least to change, so far as the definition is concerned, applies to section 3 as well as to section 1—

Mr. TOWNSEND. I stated that.

Mr. CUMMINS. That is the right to enter the Court of Claims or the condemnation tribunal for an assessment of damages. Suppose the Pennsylvania Railroad—that seems to be the nearest, and, therefore, a very common illustration—owns the capital stock, as it does, of a great many subsidiaries. The subsidiary has a right under the terms of section 3 to enter the Court of Claims for an assessment of its damages, no matter what the Pennsylvania Railroad Co. may do. It can not agree with the President simply as a stockholder in the road for compensation to the subsidiary.

I pointed out the other day the indefinite expansions which could be made through the manipulation of this terminology. The Pennsylvania Railroad Co., of course, makes an agreement with the Government based upon its returns. We will say as to the Philadelphia, Baltimore & Washington Railroad Co.—I am speaking without absolute knowledge, but I think it is true—that the Pennsylvania Railroad Co. owns all of the stock of the Philadelphia, Baltimore & Washington road. That road can come before the tribunal appointed for the purpose, or finally before the Court of Claims, and have its compensation assessed in that way, although the Pennsylvania Railroad Co. has made a contract under the bill—I think it would be true under the amendment proposed by the Senator from Michigan—which covers its earnings; that is, the earnings which it has derived from the Philadelphia, Baltimore & Washington road. I think that point ought to be made perfectly clear, and I want to ask the Senator from Michigan whether or not his amendment, in his opinion, covers that phase?

Mr. TOWNSEND. Let me take the Senator's time—

Mr. CUMMINS. No; I have finished.

Mr. TOWNSEND. Having exhausted my own time, I have not any right to speak.

Mr. CUMMINS. Then I will stay on my feet.

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. CUMMINS. I yield to the Senator.

Mr. TOWNSEND. Mr. President, the bill provides that this contract can only be made with the road now making operating returns. If the Philadelphia, Baltimore & Washington road makes operating returns—

Mr. CUMMINS. It does.

Mr. TOWNSEND. Then, of course, it would be the company with which the President would be authorized to make an agreement; otherwise it would not be.

Mr. CUMMINS. But the Pennsylvania Railroad gets all of the earnings of the Philadelphia, Baltimore & Washington Railroad, and it makes its agreement with the Government based on those earnings. Then in comes the Philadelphia, Baltimore & Washington Co. and insists upon compensation for the use of its property.

Mr. TOWNSEND. But my amendment makes it absolutely certain that those operating returns could not be credited to two different concerns—the Pennsylvania system and the Philadelphia, Baltimore & Washington road.

Mr. CUMMINS. I have not thoroughly examined the amendment proposed by the Senator from Michigan, but I will accept his statement in that respect. I only know that the bill is fatally weak in that regard.

Mr. TOWNSEND. That is what I am trying to correct.

The PRESIDENT pro tempore. The question is on the amendment submitted by the Senator from Michigan [Mr. TOWNSEND]. [Putting the question.] The yeas seem to have it.

Mr. TOWNSEND. I call for the yeas and nays on the amendment, Mr. President.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FRELINGHUYSEN (when his name was called). Making the same announcement in regard to my pair and its transfer as before, I vote "yea."

Mr. GRONNA (when Mr. LA FOLLETTE's name was called). I wish again to state that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to illness in his family.

The roll call was concluded.

Mr. SHERMAN. I am paired with the senior Senator from Kansas [Mr. THOMPSON]. I transfer that pair to the senior Senator from New York [Mr. WADSWORTH] and vote "nay."

Mr. TILLMAN. Repeating the announcement of the transfer of my pair that I made on the last vote, I vote "nay."

The result was announced—yeas 28, nays 47, as follows:

#### YEAS—28.

Ashurst	Gronna	McCumber	Smoot
Cummins	Hitchcock	McNary	Sterling
Curtis	Hollis	Norris	Sutherland
Dillingham	Johnson, Cal.	Page	Thomas
France	Jones, Wash.	Reed	Townsend
Frelinghuysen	Kenyon	Shafroth	Underwood
Gore	Lodge	Smith, Mich.	Vardaman

#### NAYS—47.

Bankhead	Kendrick	Overman	Simmons
Beckham	King	Penrose	Smith, Ariz.
Culberson	Kirby	Phelan	Smith, Md.
Fernald	Knox	Pittman	Smith, S. C.
Fletcher	Lewis	PoinDEXTER	Stone
Gallinger	McKellar	Pomerene	Swanson
Gerry	McLean	Ransdell	Tillman
Hale	Martin	Robinson	Trammell
Harding	Myers	Saulsbury	Warren
Henderson	Nelson	Sheppard	Watson
Jones, N. Mex.	New	Sherman	Welcott
Kellogg	Nugent	Shields	

#### NOT VOTING—19.

Borah	Colt	Johnson, S. Dak.	Wadsworth
Brandeggee	Fall	La Follette	Walsh
Broussard	Goff	Owen	Weeks
Calder	Hardwick	Smith, Ga.	Williams
Chamberlain	James	Thompson	

So Mr. TOWNSEND's amendment was rejected.

Mr. JOHNSON of South Dakota. I offer the amendment which I send to the desk, and upon it I ask for the yeas and nays.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The SECRETARY. It is proposed to strike out all of section 13 and to insert in lieu thereof the following:

SEC. 13. That the Federal control of railroads and transportation system herein and heretofore provided for shall continue for and during the period of the war and until Congress shall thereafter order otherwise.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from South Dakota, on which he asks for the yeas and nays.

The yeas and nays were ordered.

Mr. POINDEXTER. Mr. President, there are quite a number of Senators who are in favor of the unification of the railroads of the country and continued Government control. There are others who are opposed to the continuation of Government control. The pending bill ends Government control at a certain date; so that it seems to me consistent and logical for Senators who are opposed to Government control after the war, or after a limited period, to vote against the amendment offered by the Senator from South Dakota. On the other hand, it seems to me equally true that Senators who are in favor of the unification of the railroad systems of the country and their operation as a nationalized unit under Government regulation and Government control, not simply temporarily as a war measure but permanently as a policy of transportation in the United States, must necessarily support the amendment of the Senator from South Dakota in order to be consistent.

I make this statement for the purpose of declaring my understanding that the issue is clearly made by this amendment. I expect to support it.

Mr. PITTMAN. Mr. President, I take issue with the statement of the Senator from Washington [Mr. POINDEXTER]. At the present time I feel that I would be in favor of the unification of the railroads under Government control. I do not believe, however, that this bill contemplates any such program. If such a bill were presented, I take it, it would have to be far more complete than this bill is; certainly the powers granted to the President would not be so generous as are provided in this bill if it were intended to inaugurate Government control of railroads during peace times.

Mr. POINDEXTER. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Nevada yield to the Senator from Washington?

Mr. PITTMAN. Certainly.

Mr. POINDEXTER. The Senator does not deny that the bill as presented by the committee terminates Government control at a certain date—18 months after the proclamation of peace?

Mr. PITTMAN. Undoubtedly, it terminates Government control, and so it was intended. This bill is not intended as a permanent Government-control bill; it has not been prepared with that in view. The only excuse on earth for some of the extraordinary powers granted by this bill is that it is a war measure. I think I will be prepared upon the termination of the life of this bill to vote for a bill for the unification and control of all the railroads under the Government; but certainly I would desire the bill prepared carefully by a committee with that object in view, and I should like to have an opportunity to consider that particular question. That opportunity can not be afforded now. I think the Senator from Washington, if he is in favor of this bill, is making an argument that is detrimental to its passage.

Mr. CUMMINS. Mr. President, I can not agree with the Senator from Washington [Mr. POINDEXTER]. I am, and have been for years, as those who have heard me speak in the Senate know, in favor of the Government ownership of the capital of the public property known as the railways. Whatever instrumentalities we may select or create for the operation of that property, I am profoundly convinced that the Government ought to own all of the railway property in the country, but I can not vote for the amendment proposed by the Senator from South Dakota for two reasons: In the first place, the agreements that we are authorizing the President to make impose an unjust exaction upon the people of this country amounting to at least \$180,000,000 a year, and I am unwilling to allow the indefinite possession of the railway companies to continue under agreements of that character. Second, I am opposed to it because I am unwilling that the railway properties of the United States shall be dominated by any one man for a single moment after the war ends. I have an amendment, which I proposed in the committee, and which I shall offer here at the proper time, which at the end of the war passes the power which we are now giving the President into a board of railway directors to be appointed by the President and confirmed by the Senate.

For these reasons, which I shall not elaborate, I shall feel constrained to vote against the amendment proposed by the Senator from South Dakota.

Mr. SMITH of Georgia. Mr. President, there are already a number of provisions in this bill which I do not approve. It is all that I can do to vote for it in its present shape, but with the amendment of the Senator from South Dakota added I could not vote for it.

I do not believe that we should legislate so as to place upon the President responsibilities which he can not perform and end our legislation by designating him as the party who is to perform the responsibilities. When the scope of the work is so wide that we know the President can not perform it, I consider that a proper discharge of our duty as legislators requires that we go further and designate the plan of organization by which the duties shall be performed; and in the case of handling the railroads, instead of saying that the President shall take them and the President shall operate them, it would be better legislation to designate a commission and prescribe the duties of its members and really to limit their powers. In this manner alone can we perform the responsibilities that really pertain to the legislative branch of the Government.

But, Mr. President, already the railroads have been taken over. Already a management has been begun, and I believe the Secretary of the Treasury has made an organization as wise as could be hoped for looking to the handling of the roads. As this organization is already made and is operating as well as I could hope it would operate, I am willing, under the circumstances, to vote for that part of the bill, in no way committing myself to the policy of such legislation. I have entire confidence in the great executive ability of the Secretary of the Treasury. I do not know anyone to whom with more confidence I could see the task intrusted. Yet I have no hope that under Government management the roads can be handled substantially better than they have been handled before or that the public will get any better service. The justification for this action, in my opinion, is the financial one, the possibility that Government management may save the country from financial complications that would hinder raising the money necessary for the conduct of the war. The only excuse is the war and the finances of the country incident to the war.

I would prefer that under the terms of this bill Government control should end with the war. I certainly would prefer to limit it to 6 months after the war. I stretch my capacity to yield in this respect when I follow the committee provision allowing 18 months. If the Government control is to be permanent, then I must vote against the measure altogether, for I would not be willing to invest permanently in one officer the control of an income of three and a half billions of dollars a

year, and together with the privilege of controlling the business of every citizen in the United States, together with the destiny of every locality. Again, the compensation we are allowing to the railroads amounts to war profits growing out of the volume of business which the war has brought to them. I would not be willing to place permanently upon the people of the United States in time of peace, when the volume of freights will be less, when the amount of the revenues will be less, a charge based upon these three years of heavy war business.

These two reasons, it seems to me, are amply sufficient to induce everyone to vote against the amendment proposed by the Senator from South Dakota. I hope, if any change is made, that the time will be reduced from 18 to 6 months and lessened by that length of time the one-man rule of the railroads of our country and diminish to that extent the high rates provided by this bill.

Mr. GALLINGER. Mr. President, I had thought of presenting some views in opposition to the Government control of public utilities, including railroads; but as the longer I remain in this body the less inclination I have to consume time in debating questions that are pretty well understood, I came to the conclusion that I would not weary the Senate by making the observations I had in mind. But so far as concerns the superior accommodations that the public are getting under the present railroad management as compared with what we had before the railroads were taken over by the Government, I want to say a single word.

Any man who goes from here to New York, and especially from here to Boston, under existing conditions is very forcibly reminded of the fact that all the evils that have been complained of in railroad management have not by any manner of means been removed. It is true that the President and the Director General of Railroads have repealed numerous laws that the Congress during the last 20 years has been placing on the statute books that embarrassed and harassed the railroads of the country, and we had hoped that by doing that we might get superior accommodations, but the contrary has resulted.

When I go to my home I go to Boston, and from Boston I go 75 miles north, to Concord, N. H. Under railroad management we had three trains a day that carried us from Boston to Concord in 1 hour and 55 minutes. At the present time it is impossible to make those 75 miles under three hours, and sometimes it takes a longer time. The same condition exists to a large extent in all sections of the country; but we are hoping—I am hoping—that the present management may be able to work out these problems and that it may provide at least as good accommodations as we had when the wicked railroad men managed the property that they controlled.

I do not believe Government ownership is going to help this country in any way, and I believe it is fraught with the direst danger to the best interests of our people.

In that connection, I am going to ask unanimous consent—and that is all I shall say on this subject to-day—to have read from the desk an article from the London Daily Mail, which I had published four years ago, showing the management of the telephone system in Great Britain. Every Senator who has traveled on the Continent of Europe or in other countries of the world where Government ownership exists knows that they do not get as good accommodations as we have in the United States. Why, Mr. President, it is almost impossible to get a telephone message 5 miles from Paris or London in an hour; and we know that the railroads in any of those countries where Government ownership exists are not run as well as they have been in the United States. But, Mr. President, I do not care to weary the Senate, and I will simply ask that the brief article which I have sent to the desk may be read by the Secretary.

The PRESIDING OFFICER (Mr. KING in the chair). Without objection, the Secretary will read the article referred to by the Senator from New Hampshire.

The Secretary read as follows:

[From the London Daily Mail, Friday, Jan. 2, 1914.]

#### GOVERNMENT OWNERSHIP OF TELEPHONE LINES IN GREAT BRITAIN. WHY AND BECAUSE.

Why is it that Government ownership and management of the telephone is practically always a failure? Why is it that for every thousand Europeans there is only one telephone, while for every thousand Americans there are 15? Why is it that the country which has done most to improve the telephone, both technically and commercially, and to popularize its use is the country in which its operation and development have been and still are exclusively the work of private enterprise? Why is it that not one of the innumerable discoveries that have transformed the telephone industry in the last 30 years has emanated from a department of state; that European governments have been the last to adopt them and that the verdict which experts are obliged to pass upon them, with perhaps two partial exceptions, is that they have not learned their business? Why is it that there are great and famous towns in Europe at this moment where methods and machinery that were abandoned 20 years ago in America are still in use?

Why is it that throughout the length and breadth of Great Britain and the Continent hardly a single efficient long-distance service is to be found? Why is it that in New York one can invariably get the number one wants, and get it at once, while in London one has often to wage a prolonged and embittering battle with a slow operator, insufficient lines, and a conversation—if any conversation ensues—that is only audible when it is interrupted?

The broad answer to all these questions is that the alertness and enterprise that are essential to telephone development can not be expected from a government department. The characteristics of the bureaucratic mind and temperament forbid it. The organization of a government office, with a virtually irremovable staff, forbids it. The spirit of officialdom, with its traditions of subordination, its narrow professional outlook, its unwillingness to concentrate responsibility, its insensible stifling of initiative, forbids it. A government department can not raise and discipline its staff to the same level of efficiency as a commercial company. It can not act with the same freedom and directness as a private board. It can not pursue a business object without deference to a hundred influences and considerations that have nothing to do with business. It can not advertise with anything like the same boldness. It naturally seeks efficiency through economy instead of economy through efficiency. It has to think of politics and political reactions. Its whole constitution prevents it from proving as enterprising as private initiative, as prompt to discard obsolete methods and apparatus, as quick to adopt new inventions, as skillful and aggressive in gathering in subscribers.

As we all know, to our cost, we have Government ownership and operation of the telephones in Great Britain. We shall never have a telephone system worthy of the name so long as the post office remains in undivided and despotic control. Sooner or later that authority must be modified or delegated if our telephone system is ever to attain an even passable standard of efficiency.

Mr. SMITH of Michigan. Mr. President, the item just read by the Senator from New Hampshire [Mr. GALLINGER] showing the experience of Great Britain in the ownership of the telephone system has probably warned them against any undue haste in taking over other utilities.

The British system of handling the railroad problem is no criterion for us. Their whole system of government is different. The executive and legislative functions are so inextricably interwoven that action by Parliament is imperative before any action can be taken. With us the Executive moves, frequently of his own initiative, but within his especial sphere, and Congress supplements his action by appropriate legislation.

The first provision for taking over the British railroads dates back to July 30, 1842, which provided for troop transportation and better regulation of railroads. The movement of soldiers with baggage, arms, and ammunition was made mandatory and necessary contracts were made to that end. In 1844 this power was enlarged. In 1871 Parliament empowered an officer of the Government to take possession of railroads and railroad plants on occasional emergency. Their problem was very different from ours, and is to-day. But 15,000 miles are embraced in the arrangement entered into—in August, 1914—at the breaking out of the present war. This was done by an amicable arrangement between the Government and the committee of general managers.

Last year the arrangement was extended to include the roads in Ireland, covering something over 3,000 miles, but, altogether, included only 12 or 14 companies, a comparatively easy task when we consider that our railroads embrace 50 large systems and nearly 700 separate corporations.

One of the first and most vexatious problems which the British committee had to meet was the question of increase in wage for over one-half million employees. This situation was finally met by an increase in compensation over that of 1914 of more than \$165,000,000, a sum equal to all the dividends paid on all English railroad stocks the year before the war.

The act of Parliament does not permit the indefinite continuance of control and must be renewed weekly, notwithstanding their proximity to the very theater of the war. The whole arrangement emphasizes deliberation and solicitude and in no manner commits that Government to the doubtful expedient of unrestricted Government ownership.

Our problem is less acute and relates to the war only collaterally. There is some congestion, much confusion, a great deal of uncertainty because of the financial embarrassment and the desirability of stabilizing railroad credit and protecting the roadbed and equipment from unnecessary deterioration and decay, which would be alike disastrous and discreditable to us.

To avoid such a possible calamity and to keep the highways of commerce open to the communities they serve and thus safeguard the free interchange of commodities and encourage production, this step has been taken by the President of the United States.

I am not here to criticize or find fault with the President. There must be some sound reason for this radical departure from our previous treatment of the railroad problem. He undoubtedly thinks the war situation can be best met in this way. Dangerous as the expedient may be, he has already taken over the railroads and is now exercising authority thereover, and I do not believe that he has chosen this means of committing the country to a permanent policy of Government ownership. I prefer to believe that he is seeking to unify these

roads for the more expeditious handling of war materials and food products, and by the same token guarantees that this property will be preserved and protected during the strain and disaster of war.

This plan can not be given effect unless Congress provides the necessary compensation guaranteed by the Constitution. We may haggle and squirm and hesitate; we may even impute bad motives to those who are responsible for committing the Government to this experiment; yet how idle and impotent we would be in the face of the fact that we are committed and are now in possession of these roads. Not to make the necessary appropriation to enable the President to deal justly and fairly with these properties would be to expose ourselves to the charge that we were seeking to capitalize this error to the disadvantage of the Executive, a thing I would decline to do. I am ready to meet the situation fairly and generously, leaving to him the plan to be pursued. The country is in war; we are face to face with danger. We must act together, with an eye single to the welfare of the country. Neither personal or political considerations have any right to move us. There can be no sacrifice too great for us to bear, and if our course seems now and then to drift out of the beaten path so long pursued we have the consolation of knowing that in the estimation of those in command of the ship of state that course seems to be best for the country in the present crisis.

If the amendment of the Senator from South Dakota is to be adopted, I give notice that when these amendments come up in the Senate I am going to vote for the amendment of the Senator from Iowa [Mr. CUMMINS] without any hesitation whatever.

Mr. CUMMINS. Mr. President, I offer the following amendment to the amendment proposed by the Senator from South Dakota.

The VICE PRESIDENT. It will be read.

The SECRETARY. Add at the end of the words proposed to be inserted by the Senator from South Dakota the following:

*Provided*, That upon the termination of the war the President shall appoint, by and with the consent of the Senate, a board of railway directors, to be composed of five persons, one of whom shall be an engineer, one a financier, one trained in the operation of railway property, one whose interests have allied him with the shipping public, and one a lawyer. The members of the board shall hold office during the remainder of the period of Federal control. Removals must be for cause shown, and vacancies shall be filled in the same manner as original appointments are made. Each of said directors shall receive compensation at the rate of \$12,500 per year. The principal office shall be in the District of Columbia. All necessary employees of the board shall be appointed by the board under the rules of the Civil Service Commission.

Immediately upon the organization of said board of directors all the powers, whether granted by the act of August 29, 1916, or hereinafter granted to the President, shall vest in said board of railway directors: *Provided further*, That all agreements for just compensation shall not continue longer than the termination of the war, and the termination of the war, for the purpose of these two provisos, shall be construed as the time at which armed hostilities cease.

Mr. CUMMINS. Mr. President, this amendment, if adopted, passes from the hands of the President upon the termination of armed hostility the power that is given to him in the act of 1916, and the further powers that we grant in this act to a board of railway directors, who shall exercise that power during the period of Federal control, whatever that period may be.

It, second, limits the authority of the President in making agreements for compensation to the termination of the war, instead of permitting, as the bill does, those agreements to be made for the period of the war and for 18 months after the treaties of peace are signed and ratified.

I gave a few moments ago the reasons that would prevent me from voting for the amendment as it is offered. If these qualifications are added to the amendment, I shall be very glad to vote for it, because I am not in favor of limiting the period of control that is named in the bill.

Mr. ROBINSON. Mr. President, the amendment of the Senator from South Dakota providing for an indefinite period of Federal control after the expiration of the war relates to one of the matters concerning which the committee found great difficulty. I think I divulge no secrets of the committee when I say that it was finally arranged that a subcommittee consisting of the Senator from Michigan [Mr. TOWSEN] and myself should attempt to work out a provision touching this and one other feature of the bill for the consideration of the committee, and that we succeeded in agreeing upon a compromise which was finally adopted by the committee.

I want to state, Mr. President, for the benefit of Senators who are familiar with the discussions that have heretofore taken place in the Senate concerning this subject that it was not the thought of the proponents of the bill or of myself that the period of Federal control should be left indefinite in order

to promote either the control that is provided in this bill or what has come to be called the Government ownership of carriers. As to that last subject, it is one which can not be precluded by legislation at this time. It is one which, in my opinion, will not be very materially affected by the provisions of the bill. I have never felt that it was an intelligent procedure to attempt on this legislation to determine a question of that far-reaching consequence. I have felt all the while that if we undertake in this so-called emergency measure to determine the future status of the railroads after the expiration of the war the consideration of the bill would be very greatly prolonged.

There were some reasons which made me hesitate to agree upon a fixed limitation as to Federal control, and I can state them very briefly. In the first place, at the expiration of the war there will be many unsettled questions between the railroads and the Government which will probably require legislation. The subject is not so simple as to be dealt with conclusively in agreements to be entered into now. I have felt that it might be wise not to compel the return of the carriers to their owners, until Congress has had an opportunity of deliberately working out those propositions.

In the second place, when once you have extended Government credit to the railroads, it will be difficult to withdraw it without materially impairing and endangering the value of railroad credit, and in all probability if the question as to what shall be the future status of the railroads remains unsettled at the expiration of the limitation the railroads themselves or their representatives will want it extended.

But, Mr. President, I do not believe that it is wise to attempt in this legislation to determine the very important question as to how the railroads shall be operated after the war. Almost every Senator who has studied the subject admits that it will be necessary to modify the old system; that some legislation will be required; that it will be necessary to repeal some laws; and for that reason all Senators, so far as I know, have agreed that the period of Federal control should extend beyond the termination of the war.

The same controversy that arose in the committee has arisen here. All about me I hear Senators saying that they would prefer to have the period of control shortened. Some of them have said on the floor that they would like to have Federal control terminated immediately upon the ending of the war; others have said that six months would be an adequate period. My conviction, therefore, is that the best thing that can be done is to adhere to the compromise which was effected in the committee and to sustain the provisions of the bill with regard to the limitation of one and a half years after the expiration of the war. I think it would be a very grave mistake to shorten that period and I do not believe that the temper of the Senate would permit its extension.

Now, Mr. President, as to the amendment which the Senator from Iowa [Mr. CUMMINS] has offered to the amendment of the Senator from South Dakota [Mr. JOHNSON], the effect of that amendment is to provide two systems of Federal control, one to be operative during the war and the other to take effect at the termination of the war. It is of course trite to say that no Senator can tell when this war will end. We hope it will end very quickly; we fear it may be some time in the distant future; but I submit to the Senate that it is unwise to attempt now to legislate for conditions in the period after the termination of the war; that it is unwise to attempt to provide for two systems of Federal control. If Congress desires to do so when the war has ended it can turn the operation of the railroads over to a board of directors as contemplated by the amendment of the Senator from Iowa. It is also true that we could repeal that provision of the bill, should we adopt it now, but the point I am making is that we would accomplish nothing of a substantial nature to adopt a dual system of Federal control, one to take effect now and the other to take effect at the end of the war.

Therefore, I repeat, the best thing in my judgment to be done is to retain the limitation in the bill which the committee agreed upon.

Mr. JONES of Washington. Mr. President, while I believe that Government ownership, or at any rate Government unification and control, of railroads is just as sure to come as the night is to follow the day, and that in no distant future, I do not consider that the question of Government ownership is involved in the amendment proposed by the Senator from South Dakota. I favor that amendment because there are so many things in the bill that I consider unwise and unjust and iniquitous that I want Congress to be free to get rid of them just as soon as possible. They are going to be adopted. I

think we have a right to assume that the bill substantially as reported by the committee is going to be passed with all the things in it that make the Senator from Georgia hesitate to vote for it, with all the things in it that will possibly lead the Senator from Iowa to vote against it, and yet we are going to tie the hands of Congress for 18 months after the close of the war and prevent it from remedying those things.

I am in favor of leaving the hands of Congress free to act just as soon as possible, and I believe that the legislation will appear so unjust after it is enacted as to lead Congress to provide for a permanent system just as soon as possible, either before the war ends or afterwards.

Mr. SMITH of Georgia and Mr. ROBINSON addressed the Chair.

The VICE PRESIDENT. Does the Senator from Washington yield; and if so, to whom?

Mr. JONES of Washington. I yield to the Senator from Georgia. He rose first.

Mr. SMITH of Georgia. Then, why does not the Senator present this amendment: Let the limitation of 18 months remain, with a proviso—provided, however, that Congress may shorten the time—and I will vote for it.

Mr. ROBINSON. Will the Senator yield?

Mr. JONES of Washington. I yield.

Mr. ROBINSON. That is the provision as it now exists and as it is reported by the committee. If the Senator will permit me, the provision which the committee reported does not tie the hands of Congress. Congress can act at any time. The limitation is that it shall not continue longer than 18 months after the expiration of the war, which, of course, implies that it may not continue that long. There is also a provision in the bill that the President may relinquish all rights at any time he chooses.

Mr. JONES of Washington. Let me ask the Senator, does the bill provide that agreements made by the President, if made to extend 18 months beyond the close of the war, can be modified at any time prior to that date?

Mr. ROBINSON. The President is given very broad power with respect to the agreements. There is nothing in the bill that requires him to agree with the railroads for any fixed period, and the probability is that the agreements will run for a definite period, from year to year or from month to month.

Mr. JONES of Washington. Under the bill the President can contract with these roads for 18 months beyond the close of the war, and Congress can not change that contract when it has been entered into.

Mr. ROBINSON. If the Senator will permit me—

Mr. JONES of Washington. Certainly.

Mr. ROBINSON. Since Congress has power to terminate Federal control, the President could not, if he desired to do so, which, of course, he would not, estop Congress from exercising its function. There is a provision in the bill that no compensation shall be paid for any period extending beyond the actual Federal control. I think that is carefully safeguarded.

Mr. JONES of Washington. The Senator from Iowa a moment ago said what I believe to be the effect of the bill—that the President can make a contract to extend for 18 months beyond the close of the war.

Mr. CUMMINS. Mr. President, I go further. I do not agree with the Senator from Arkansas. I think the President must do it. I think the only authority that is given him here is authority to agree upon the just compensation during the period of Federal control, and that standard is 18 months after the expiration of the war.

Mr. ROBINSON. If the Senator will permit me, the period of Federal control—

Mr. JONES of Washington. My time is going to be gone.

Mr. ROBINSON. I merely say that the period of Federal control is not fixed in the bill, and therefore the President is not compelled to agree upon any definite time.

Mr. JONES of Washington. The divergent views in reference to that matter simply strengthen me in the opinion that we ought to leave this matter to Congress; and that is all there is in it. Any future Congress can extend the 18-month period to a 5-year period if it sees fit, and unless the agreement does have the effect that I think it has, Congress can limit the period to 6 months and limit each contract to 6 months. Why not leave the matter in the discretion of Congress? That is exactly what the amendment of the Senator from South Dakota provides. Let us leave ourselves free. I have confidence in what future Congresses will do. I believe that a future Congress can be depended upon to provide a permanent system. This is not a permanent system. The amendment of the Senator from South Dakota does not provide a permanent system. It is just as

temporary as it is with the 18-month limitation, except we have all the iniquities possible absolutely continued for a period of 18 months beyond the termination of the war.

So, Mr. President, regardless of whatever views I may have with reference to Government ownership, I can very heartily support the amendment of the Senator from South Dakota if he will do this. I think the word "thereafter" in his amendment ought to be cut out, because it seems to me that that is an attempt to limit the power of Congress to act and prevent its action until the war closes. I believe when we get through with some of these very urgent matters Congress can very well and probably will settle down and try to devise some permanent system for the control of these railroads, the necessity for which everybody conceives. I do not want to adopt a provision which says that this shall continue until the close of the war unless Congress shall thereafter, after the close of the war, otherwise provide. I want it to be free, and from the time hostilities cease until a treaty of peace is actually signed and ratified we shall probably have ample time to prepare permanent legislation.

Mr. SMITH of South Carolina. Mr. President—

Mr. JONES of Washington. The amendment of the Senator from Iowa impresses me favorably, but I do not know whether I should be in favor of it or not. I now yield to the Senator from South Carolina, if I have any time remaining.

Mr. SMITH of South Carolina. I want to call the Senator's attention to section 13, which takes cognizance of the very matter that is now under discussion. That section reads:

SEC. 13. That the Federal control of railroads and transportation systems herein and heretofore provided for shall not continue longer than 18 months after the proclamation of peace terminating the war in which the United States is now engaged: *Provided, however,* That the President may, prior to July 1, 1918, relinquish control of all or any part of any railroad or system of transportation further Federal control of which the President shall deem not needful or desirable; and the President may at any time during the period of Federal control agree with the owners to relinquish all or any part of any railroad or system of transportation—

The point that I am making is this—

*Provided further,* That the President may relinquish all railroads under Federal control at any time he shall deem such action needful or desirable. No right to compensation shall accrue to any owner from and after the date of relinquishment for property relinquished under authority of this section.

Therefore every contract that is made will be made, of course, in the light of that provision.

Mr. JONES of Washington. Yes; but if the contract is made in express terms to continue for 18 months after the termination of the war, as it can be made under this proposed law, then it will continue for 18 months.

Mr. SMITH of South Carolina. But does not the Senator from Washington understand that in a contract under a law which gives the President such power as this does, he may, upon notice, relinquish any road at such time as he deems it will not any further conserve the public interest to hold it?

Mr. JONES of Washington. If the President should reserve that right in the agreement that he makes, of course that would be made a part of it. I suppose, and the contract could be terminated, but there is nothing here to prevent the President from making a contract running for 18 months beyond the war, without any condition limiting it or permitting him to withdraw it. If he should make such a contract, it would run beyond the period of the war.

Mr. SMITH of South Carolina. Mr. President, just one word in reference to the amendment which has been proposed by the Senator from Iowa [Mr. CUMMINS]. The proposition of the Senator from South Dakota [Mr. JOHNSON] is that there shall be extended into peace times the conditions under which we are taking over the railroads; in other words, granting them certain compensation that no one can control—a radical departure from the present status of things—and projecting that arrangement indefinitely into peace times. The Senator from Iowa offers an amendment that provides, in his opinion, machinery that he could risk indefinitely. The proposition of the Senator from Iowa, in other words, is that he is proposing to legislate now in this emergency according to his idea how the railroads ought to be run after peace comes.

Mr. CUMMINS. Mr. President, if the Senator from South Carolina will allow me to correct him there, I wish to say that I am simply proposing to substitute a board for the President during the peace time; that is all. It does not affect the length of Federal control at all.

Mr. SMITH of South Carolina. But, Mr. President, the Senator from Iowa would be perfectly willing for that board thus appointed to go on indefinitely, for he says that if his amendment were adopted, then he would vote for indefinite tenure under that system, as modified by his amendment, which means that that is his idea of controlling the railroads during times of peace.

I submit that as fair-minded, honest men, the thing for us to do is to take this bill as a war measure, to treat it as a war measure, and to terminate that treatment when the war conditions are over.

Mr. GALLINGER. Mr. President, I rise to ask the Senator from South Carolina a question as to further procedure. We all agreed to this unanimous-consent agreement, some of us with hesitation, making it apply to the legislative day of Thursday. I will ask the Senator if he expects to complete this bill during this calendar day?

Mr. SMITH of South Carolina. My idea was that we would go on until the 10-minute limitation of debate is over, then take a recess, and finish the bill under the five-minute rule.

Mr. GALLINGER. Some of us would like to know about when we are likely to take that recess. Would the Senator think of running beyond 6 o'clock?

Mr. SMITH of South Carolina. No. My purpose was that at 6 o'clock we should take a recess, so as to begin the next session of the legislative day under the five-minute rule.

Mr. GALLINGER. It will be satisfactory if the Senator will move to take a recess at 6 o'clock.

Mr. SMITH of South Carolina. I should like in this connection to state to the Senator that I desire to run on until 6 o'clock, when the 10-minute limitation will have expired.

Mr. GALLINGER. That is entirely satisfactory.

Mr. REED. Mr. President—

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Missouri?

Mr. REED. I wanted the floor, and I thought the Senator from South Carolina had concluded.

Mr. SMITH of South Carolina. I am through.

Mr. REED. If I am not interrupting, I desire to ask the Senator in charge of the bill, the chairman of the committee, to consider this proposition. Perhaps I shall not offer an amendment upon it to-night, but possibly the committee will see fit to bring in one if the suggestion commends itself to the committee. The language of section 1 is:

That the President, having in time of war taken over the possession, use, control, and operation (called herein Federal control) of certain railroads and systems of transportation (called herein carriers), is hereby authorized to agree with and to guarantee to any such carrier making operating returns to the Interstate Commerce Commission that during the period of such Federal control it shall receive as just compensation not exceeding an annual sum—

That is a clear right on the part of the President to make a contract covering the period of the war and the 18 months' period thereafter, unless there is to be found in the bill somewhere express language giving the right to terminate.

Mr. SMITH of South Carolina. I ask the Senator from Missouri to read section 13 of the bill—the last section.

Mr. REED. I have done so. When we come to the last section of the bill, to which the chairman of the committee refers me, we find this language:

SEC. 13. That the Federal control of railroads and transportation systems herein and heretofore provided for shall not continue longer than 18 months after the proclamation of peace terminating the war in which the United States is now engaged.

That, of course, fixes a limit of 18 months, and the President, so far as we have proceeded now, could contract for that period. Following the language on we find that the President may, prior to the 1st day of July, 1918, relinquish control of certain of the roads, and then we find the proviso, in line 12, which reads:

*Provided, further,* That the President may relinquish all railroads under Federal control at any time he shall deem such action needful or desirable.

But while you find the right to reserve to the President to relinquish these roads—

Mr. SMITH of South Carolina. I call the attention of the Senator from Missouri to the provision beginning in line 9 of that section.

Mr. REED. The Senator calls my attention to the language—

And the President may at any time during the period of Federal control agree with the owners to relinquish all or any part of any railroad or system of transportation—

But that does not change the proposition I am trying to state.

Under the provisions of the bill, as I see it, the President can contract for the period of 18 months after the war, and I think may be held to be bound to contract for the period of the war and 18 months thereafter. The President then has the right to terminate the period of the contract by his own act. I think, notwithstanding anything he may put in the contract, he can terminate it; but we do not know who may be President at that time; of course, we can not tell; the exigencies that happen in this life, the duration of the war, and other matters are to be considered. Now, is it not wise to incorporate in the bill some language reserving to the Congress the right to limit Federal control—and by "Congress" I mean the Congress by law, which, of course, implies the presidential action in connection with it

that of Congress—so that there will be written into the contracts at the time they are made the express reservation of law giving to the United States the right to terminate them by law. A few words will do it; and in view of the doubt, I suggest to the committee the propriety of an amendment of that kind.

Mr. POMERENE. Mr. President, does the Senator really have serious doubt about the power of Congress to repeal this proposed law at any time?

Mr. REED. Absolutely, if a contract has been made. I am of the opinion that if the President were to make a contract for the period of the war and for 18 months thereafter, and did not see fit himself to terminate the contract, the contract could not be annulled by an act of Congress, unless we place in this act a reservation of the right to change it. I am not going to insist that I am necessarily right about it; but I think a doubt exists, and I think that the insertion in line 13, after the word "President," of the words "or the United States by act of Congress," will settle the entire question.

Mr. SMITH of South Carolina. If I may make a suggestion to the Senator right there, I have not thought about the suggestion he makes to us for our consideration; but would not the Senator's proposal inject two parties to deal with the railroads in relation to the contracts to be made, one the Congress and the other the President, and might it not inject such an element of doubt and uncertainty as to make any agreement rather doubtful? I merely throw that out as a suggestion.

It seems to me that if the railroads are going to deal with the President, then they may learn just what he is going to do by communicating with him; but if we also reserve the right to Congress to change the contract, the railroads might not know exactly what kind of a contract they would be able to secure.

Mr. REED. Mr. President, if the Senator will pardon me, a moment ago he was insisting that Congress does now have that right under the bill.

Mr. SMITH of South Carolina. No; I said the President had.

Mr. REED. I understood a number of Senators to say that the right existed also on the part of Congress.

Mr. SMITH of South Carolina. But the Senator from South Carolina did not say that.

Mr. SMITH of Georgia. The Senator probably has in mind the Senator from Ohio [Mr. POMERENE].

Mr. REED. I was probably in error when I said the Senator from South Carolina had taken that position; but other Senators have taken it.

Mr. SMITH of South Carolina. I do not exactly understand, if the Senator will allow me a moment, how Congress can authorize and direct the President, and give him the power to do a thing, and then say that he can not do it. The bill expressly provides that he shall, of his own initiative, terminate any of these contracts when he sees fit to do so and when the public good in his judgment so demands. Now, if on the other hand, *pari passu*, we invest Congress with power to do the same thing, the railroads would not know where they stood. So it seems to me that the only question of doubt would be the question raised by the Senator that we do not know who might be President; but I take it that all Presidents are pretty much alike in some respects.

Mr. ROBINSON. Mr. President, I should like to ask the Senator from Missouri a question, if he will permit me. The Senator from Missouri understands, of course, that the constitutional limitation prohibiting the impairment of the obligation of contracts is upon the States, and not upon the Federal Government; in other words, the making of a contract can not estop Congress from legislating upon the subject.

Mr. REED. Mr. President, I have heard that proposition often laid down, and while it is true that there is no express constitutional provision that the United States can not impair the obligation of a contract, I think the authorities are perfectly clear that the United States can not take property without due process of law; and that when you impair the obligation of a contract you do take property without due process of law. The courts have so held. I think the fifth amendment covers it, but that is not the point I am talking about. It is perfectly clear that if we do write into this law words expressly reserving to Congress the power to turn back these roads, notwithstanding any contract, we will then be in a position to do it if the country wants to do it. Many Senators think that that right exists anyway; but, as there is a doubt about it, why not put in these three or four words? Then every railroad company will understand, Congress will understand, and the President will understand that the power is reserved to change these contracts. I make the suggestion as one desiring to aid the bill, and not in an antagonistic spirit, for the consideration of the committee.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Iowa [Mr. CUMMINS] to the

amendment offered by the Senator from South Dakota [Mr. JOHNSON].

Mr. JOHNSON of South Dakota. Mr. President, I want to get back for just a moment to the amendment. Referring to the suggestion made by the Senator from Washington [Mr. JONES], I desire to modify the original amendment by striking out the word "thereafter" in line 4.

The VICE PRESIDENT. The amendment will be so modified. The question now is on the amendment of the Senator from Iowa to the amendment of the Senator from South Dakota as modified.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now recurs on the amendment offered by the Senator from South Dakota as modified.

Mr. UNDERWOOD. I ask for the yeas and nays.

Mr. JOHNSON of South Dakota. I think the yeas and nays were ordered on the amendment some time ago.

The VICE PRESIDENT. They are now ordered, and the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. SHERMAN (when his name was called). I have a pair with the senior Senator from Kansas [Mr. THOMPSON]. I transfer that pair to the senior Senator from New York [Mr. WADSWORTH] and vote "nay."

Mr. THOMAS (when his name was called). May I inquire whether the senior Senator from North Dakota [Mr. McCUMBER] has voted?

The VICE PRESIDENT. He has not.

Mr. THOMAS. I have a standing pair with that Senator, and therefore withhold my vote.

Mr. TILLMAN (when his name was called). I transfer my pair with the senior Senator from West Virginia [Mr. GORE] to the junior Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

Mr. LODGE (when Mr. WEEKS's name was called). My colleague [Mr. WEEKS] is absent, as I have already stated. He is paired with the senior Senator from Kentucky [Mr. JAMES]. If present my colleague would vote "nay."

The roll call was concluded.

Mr. McLEAN. I wish to announce that my colleague [Mr. BRANDEGEE] is unavoidably absent from the Chamber. If present he would vote against this amendment.

Mr. FRELINGHUYSEN. Making the same transfer that I made on a previous vote, I vote "nay."

Mr. KIRBY. I have been requested to announce the unavoidable absence of the senior Senator from Kansas [Mr. THOMPSON], who, if present, would vote "yea."

Mr. HALE. I wish to announce the unavoidable absence of my colleague [Mr. FERNALD]. If present, he would vote "nay."

Mr. JOHNSON of South Dakota (after having voted in the affirmative). I have a pair with the senior Senator from Maine [Mr. FERNALD]. I transfer that pair to the junior Senator from New Hampshire [Mr. HOLLIS] and will allow my vote to stand.

The result was announced—yeas 10, nays 61, as follows:

YEAS—10.			
Ashurst	Johnson, S. Dak.	Kirby	Poindexter
Gronna	Jones, Wash.	Norris	
Johnson, Cal.	Kenyon	Phelan	
NAYS—61.			
Bankhead	Jones, N. Mex.	Page	Smith, S. C.
Beckham	Kellogg	Penrose	Smoot
Cummins	Kendrick	Pittman	Sterling
Curtis	King	Pomerene	Stone
Dillingham	Knox	Ransdell	Sutherland
Fletcher	Lewis	Robinson	Tillman
France	Lodge	Saulsbury	Townsend
Frelinghuysen	McKellar	Shafroth	Trammell
Gallinger	McLean	Sheppard	Underwood
Gerry	McNary	Sherman	Warren
Gore	Martin	Shields	Watson
Hale	Myers	Simmons	Williams
Harding	Nelson	Smith, Ariz.	Wolcott
Hardwick	New	Smith, Ga.	
Henderson	Nugent	Smith, Md.	
Hitchcock	Overman	Smith, Mich.	
NOT VOTING—23.			
Borah	Culberson	LaFollette	Thompson
Brandegge	Fall	McCumber	Vardaman
Broussard	Fernald	Owen	Wadsworth
Calder	Goff	Reed	Walsh
Chamberlain	Hollis	Swanson	Weeks
Colt	James	Thomas	

So the amendment of Mr. JOHNSON of South Dakota was rejected.

Mr. SIMMONS. Mr. President, I ask unanimous consent to present, out of order, a favorable report from the Finance Committee.

The VICE PRESIDENT. The Chair will be compelled to hold that under the rule of the Senate the unanimous-consent agreement precludes any other business until 6 o'clock, at least.

Mr. SIMMONS. I apprehended that the Chair might so hold, but I thought I might get in this report without having to wait until 6 o'clock.

The VICE PRESIDENT. Unfortunately, the Chair will have to say to the Senator from North Carolina that since the present occupant of the chair came here a rule has been adopted whereby a unanimous-consent agreement can not be set aside except upon one day's notice.

Mr. SIMMONS. I was not unaware of that. I simply wanted to make this report, if possible.

Mr. STONE. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 11, line 11, after the word "property," it is proposed to insert the word "while," so that, if amended, the clause will read:

But no process, mesne or final, shall be levied against any property while under such Federal control.

Mr. SMITH of South Carolina. Mr. President, that amendment does not change the meaning of the proposition at all, and I have no objection to it.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri.

The amendment was agreed to.

Mr. FRELINGHUYSEN. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add, at the end of section 13, the following words:

*Provided further, That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation.*

Mr. FRELINGHUYSEN. Mr. President, the State of New Jersey receives \$7,000,000 from the railroads in the way of taxation, which is appropriated directly to the schools of the State. The object of this amendment is to make certain that there will be no interference by the Federal Government with that method of taxation.

I ask if the chairman of the committee will not accept the amendment?

Mr. SMITH of South Carolina. Mr. President, I am perfectly agreeable to that amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Jersey.

The amendment was agreed to.

Mr. STERLING. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to strike out section 10, and to insert in lieu thereof the following:

SEC. 10. That carriers while under Federal control shall, in so far as is not inconsistent therewith, or with the provisions of this act, or any other act applicable to such Federal control, or with any order of the President, be subject to all laws and liabilities as common carriers, whether arising under statutes or at common law, including the laws enacted or liabilities imposed under State authority for the regulation of the common carriers of traffic wholly within the State; and suits may be brought by and against such carriers and judgments rendered as now provided by law. But no process, mesne or final, shall be levied against any property under such Federal control.

That the Interstate Commerce Commission, in addition to the powers conferred by the act entitled "An act to regulate commerce," approved February 4, 1887, and acts amendatory thereof, is authorized to investigate, hear, and determine on application of the President and in the manner provided in said act, whether the rate or rates charged by any carrier or carriers under Federal control are, under the conditions, unjust or unreasonable or prejudicial to the public interest or to the purpose for which said control has been authorized and assumed, and on such hearing and determination to prescribe and order what rate or rates, charge or charges are, under the conditions, just and reasonable and which shall be observed as the maximum to be charged during such control.

Mr. STERLING. Mr. President, there are two changes in section 10 provided for by the proposed amendment.

The first is in the first paragraph of section 10 of the bill; and I am not sure, Mr. President, but that the amendment as proposed to the first paragraph of section 10 will simply make more certain what was intended by the committee. The only change made in the first paragraph is by the insertion of the following words after the word "law" in line 8:

Including the laws enacted or liabilities imposed under State authority for the regulation of the common carriers of traffic wholly within the State.

So that, if amended, the paragraph would read:

That carriers while under Federal control shall, in so far as is not inconsistent therewith, or with the provisions of this act, or any other act applicable to such Federal control, or with any order of the President, be subject to all laws and liabilities as common carriers, whether arising under statutes or at common law, including the laws enacted or liabilities imposed under State authority for the regulation of the common carriers of traffic wholly within the State.

Under the theory, Mr. President, that the amendment will make it more certain than the bill, we would suppose, perhaps, that the word "statutes" referred to State as well as Federal statutes; but that is not clear. The words in the bill are "under statutes or at common law." If that language excludes State statutes and legislation and regulation under State statutes, it, of course, will have the effect of destroying railroad regulation under State systems, and I do not believe that is desirable. The exigencies of the case do not require it. After all, Mr. President, under the terms of the first paragraph of section 10 if any State regulation or statute is inconsistent with any order made by the President, the order of the President will, of course, supersede the State statute; but aside from the authority of the President—and aside from the regulation of rates or the initiation of rates he may make many, many orders—the State board of railroad commissioners surely should have control.

Mr. President, we can not ignore the great benefits conferred upon the people of a State by the action of the State boards of railroad commissioners. They have proved the greatest help in my own State of South Dakota; and, as I understand, they are coordinating and cooperating with the work of the Interstate Commerce Commission.

We have a fine example just now of the successful work of our own railroad commission. It was a case of rates charged by the railroads for hauling coal between the coal fields of Wyoming and points in South Dakota. Under the law a case was instituted by our railroad commission before the Interstate Commerce Commission, resulting in a recent decision to the effect that the railroad rates were, by order of the commission, reduced from what they were; and they had been, in fact, prohibitive of the bringing in of coal from the State of Wyoming.

Now, Mr. President, let me call attention to the second paragraph of section 10.

The second paragraph of section 10 gives the President the power to initiate rates. It in effect gives him the power to establish rates; for although the rates initiated by the President might be burdensome or unjust to the public, anyone would hesitate to complain to the commission.

What does my second amendment propose—the amendment to the second paragraph of section 10? It proposes that in addition to the powers conferred upon the Interstate Commerce Commission by the interstate-commerce act the commission shall, on the application of the President, investigate, hear, and determine any case where it may be alleged by him that the rates are unjust or unreasonable, or are prejudicial to the public interest, or are prejudicial to the purposes for which control of the railroads was assumed and has been authorized by act of Congress. I am satisfied, Mr. President, that all the benefits desired can be obtained in that way, by simply authorizing the President under the act to make application himself to the Interstate Commerce Commission for the fixing or the changing of a present rate on any line or the rate established by any carrier.

I have heard many objections, Mr. President, to the provision in the bill giving the President the power to initiate rates. All the good will be accomplished that is necessary to be accomplished, all that any exigency will require, by permitting the President under the law to make application himself to the Interstate Commerce Commission for the changing of any given rate, the rate of any line or of an entire system.

It seems to me, Mr. President, that under the conditions this is a most reasonable provision. I do not believe we want to put it in the power of the President of the United States to initiate, or, as I said, in effect to establish a rate for the whole country; but here the President can at any time—not in the ordinary case, but if the public welfare requires it or if it be for the purpose of carrying out the provisions of this bill—appear before the railroad commission or file his application before the Interstate Commerce Commission and have an investigation and a hearing, just as the bill provides may be had upon an initiated rate of which complaint is made; and I believe that all the exigencies and necessities of the case will be covered and that the great public will be better satisfied with a provision of that kind.

Mr. PHELAN. Mr. President, I desire to ask a question of the Senator. Do I understand that it is his view that under the powers granted by this bill the President has the right to initiate rates within a State, or only in interstate commerce?

Mr. STERLING. In interstate commerce, probably. However, on reflection I am inclined to think that the President would have a right under this bill to establish a rate for traffic wholly within a State.

Mr. PHELAN. The bill provides that the only appeal is to the Interstate Commerce Commission.

Mr. STERLING. Yes.

Mr. PHELAN. Therefore, by implication, I should say the initiation referred only to interstate rates.

Mr. STERLING. That is true; the appeal is to the Interstate Commerce Commission. But it is probably true that in this particular case, and to cover this class of cases, the Interstate Commerce Commission is made the instrument for the investigation of these rates.

Mr. PHELAN. I should like to ask the same question of the Senator from South Carolina, in charge of the bill.

Mr. SMITH of South Carolina. Mr. President, the committee itself was in doubt as to the real interpretation of this language. It seemed as if it were giving to the Interstate Commerce Commission the power of review when the President had initiated rates and made no other provision, and the interpretation would be that in case under this emergency clause he changed a rate that originated within the State, then it practically nullified or set aside the State commission to that extent.

Mr. STONE. Mr. President, I desire to ask the Senator in charge of the bill to inform me and the Senate what the program for to-morrow is.

Mr. SMITH of South Carolina. It is my intention, when the proper time arrives, to have the Senate take a recess until to-morrow at 11 o'clock. I presume the reading of the Farewell Address of Washington will be observed as heretofore, and afterwards we will go right along with the bill. That is my intention now. I think the urgency that is on us would cause us to go ahead with the bill.

Mr. CUMMINS. To-morrow will be the 21st of February.

Mr. SMITH of South Carolina. The 22d.

Mr. CUMMINS. The 21st. How can we celebrate Washington's Birthday on that day?

Mr. SMITH of South Carolina. No one will know that it is the legislative day of the 21st but the Senate.

Mr. STONE. That is a legislative technicality. To-morrow will be February 22.

Mr. President, I desire to say a word, if I may at this time, about this memorial event. I do not look with favor upon the program outlined for to-morrow by my friend from South Carolina. According to that program the Farewell Address of George Washington will be read in accordance with an ancient custom upon the assembling of the Senate to-morrow. We are told that after that we are to go on with the ordinary legislative business of the Senate. There is to be no adjournment in honor of Washington. Only the other day, the 12th of this month, the Senate adjourned out of respect to the memory of Abraham Lincoln, that being his birthday. It was a very proper observance of that event, a very proper compliment to pay to that great American. Of all men in our history entitled to bear the distinguished cognomen of the "Great Commoner" is Abraham Lincoln. It is a distinction that has been applied in one way or another to many eminent Americans from the day of Henry Clay—it may be before that—to this time, but Abraham Lincoln is the one man above all in our history really entitled to wear that distinguished title. It belongs to him.

Mr. President, what I wish to say is that while we paid this well-deserved compliment to Abraham Lincoln by adjourning the Senate out of respect to his birthday, I can not but look with disfavor upon the program for to-morrow.

The VICE PRESIDENT rapped with his gavel.

Mr. STONE. Mr. President—

The VICE PRESIDENT. Personally, the Chair has no control over the agreement. It is 5 minutes after 6 o'clock. The bill is before the Senate and has not been set aside.

Mr. STONE. Then I will take another occasion to say what I have to say about George Washington and why I think we should also adjourn the Senate in commemoration of his birth.

Mr. SMITH of South Carolina. Mr. President—

Mr. STONE. Mr. President, I move to strike out the last word.

The VICE PRESIDENT. There is an amendment pending to which the Senator from Missouri has addressed himself. The Chair is not responsible for this agreement.

Mr. STONE. I move to amend that amendment by striking out the first word in it.

The VICE PRESIDENT. The Chair does not know what the Senator from Missouri wants to strike out.

Mr. STONE. The first word of the pending amendment.

The VICE PRESIDENT. The word "section"?

Mr. STONE. Yes.

The VICE PRESIDENT. The Chair holds that that is not in order.

Mr. STONE. What is the first word of the amendment?

The VICE PRESIDENT. "That" is the first word.

Mr. STONE. I move to strike out the word "that."

The VICE PRESIDENT. The Chair holds that that is not in order. It is not an amendment which would leave anything if carried.

Mr. STONE. Then I move to strike out the first line of the amendment.

Mr. PENROSE. I raise a point of order that the amendment is not germane.

The VICE PRESIDENT. The Chair has nothing to do with the germaneness of the amendment. The amendment is in order, and the Senator can proceed for five minutes.

Mr. STONE. Mr. President, I wish to say that I look with disfavor upon the suggestion that on to-morrow when the Senate meets and the Senator from Rhode Island [Mr. GERRY] takes his place at the Secretary's desk and reads the last message that George Washington delivered to the American people, reads it on Washington's Birthday, that we shall then immediately go on with legislative current business. We ought to adjourn the Senate out of respect to Washington's memory, just as we did out of respect to the memory of Lincoln.

Mr. MARTIN. I ask the Senator if he will yield to me for just a moment? I wish to call his attention to the fact that the rule requires that we shall proceed with ordinary business as soon as the address has been read. That is in the rule of the Senate.

Mr. LODGE. It has always been done.

Mr. STONE. I know it is in the rule; I was not unaware of that.

Mr. GALLINGER. Of course, if we choose to adjourn after the address is read we can do so.

Mr. STONE. Yes; and I am now proposing that we do then adjourn.

Mr. President, it is a poor compliment to the man who is supposed to stand first in war, first in peace, and first in the hearts of his countrymen—the first of all Americans—that we merely read his Farewell Address to a half dozen Senators and to a scattered audience of a few curious onlookers in the galleries. How prone are we to forget the advice and admonitions of this greatest of all Americans! I not only want that address read to the Senate and to the country but to impress its dignity and wisdom, its soberness and its truth upon the Senate and the country and the world. If anything can be done by the Senate to impress the tremendous significance of that memorable address upon the American mind it should be done now if ever in our history. Can we not pay this simple compliment to George Washington as we paid a like well-deserved compliment to Abraham Lincoln?

Mr. SMITH of South Carolina. I move that the Senate proceed to the consideration of executive business.

Mr. POINDEXTER. Will the Senator withhold that for just a moment while I offer an amendment in order that it may be printed for consideration to-morrow?

Mr. SMITH of South Carolina. Very well.

Mr. POINDEXTER. I offer an amendment and ask that it be printed.

The VICE PRESIDENT. It will be printed and lie on the table.

Mr. SMITH of South Carolina. I renew the motion.

Mr. GORE. Mr. President—

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Oklahoma?

Mr. SMITH of South Carolina. I yield.

Mr. GORE. I ask unanimous consent to print in the RECORD a brief of Judge Cowan, of Texas, in relation to the pending bill.

Mr. WILLIAMS. How long is it?

Mr. GORE. Several pages.

Mr. WILLIAMS. I believe I will object to printing the paper in the RECORD, and I make the objection on account of the high cost and scarcity of print paper.

#### EXECUTIVE SESSION.

Mr. SMITH of South Carolina. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

#### CAPT. HARRY GRAHAM—BILL BECOMES A LAW.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that S. 1418, an act to authorize the President of the United States to appoint Harry Graham captain of Infantry, having been presented to the President on February 7, 1918, and not having been returned by him to the House of Congress in which it originated within the 10 days prescribed by the Constitution, it has become a law without his approval.

## EFFECT OF BOLSHEVIKI DOCTRINES IN LABOR UNIONS.

Mr. McCUMBER. Mr. President, I desire to give notice that on Monday next, at the close of the routine morning business, I shall ask permission to address the Senate upon the effect of the Bolsheviki doctrines in our labor unions upon production in the United States and the remedy of the country against those doctrines.

## ESTABLISHMENT OF A FOREIGN BANK.

Mr. OWEN. Mr. President, I give notice that on to-morrow, Friday, after the morning hour, I should like permission to address the Senate with regard to the establishment of a foreign bank—

Mr. STONE. Mr. President, I should like to inquire, if the Senator will permit me, whether there will be a session of the Senate to-morrow?

Mr. OWEN. Yes. Washington's Farewell Address will be read to the Senate by the junior Senator from Rhode Island [Mr. GERRY], and then any other matter can be proceeded with that the Senate chooses to consider.

The PRESIDING OFFICER (Mr. PHILAN in the chair). The Chair begs to remind the Senator from Oklahoma that it is the custom—and, indeed, under an order of the Senate—that the Farewell Address of Washington shall be read to-morrow.

Mr. OWEN. I so understand, Mr. President; and I understand also that it is the practice of the Senate to transact any business it may see fit to transact on that day. After the reading of the address I wish to make some remarks on the establishment of a foreign bank and the necessity for providing the merchants' commerce of the United States with international exchange and international credits.

## PETITIONS.

Mr. McLEAN presented a petition of the Grand Chapter of Connecticut, Order of the Eastern Star, of Winsted, Conn., praying for the establishment of a league of nations to safeguard an enduring peace after the close of the present war, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Retail Butchers and Grocers' Protective Association, of New Haven, Conn., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

## WAR FINANCE CORPORATION.

Mr. SIMMONS. From the Committee on Finance, I report back favorably, with amendments, the bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes. I wish to give notice that I shall submit a report (No. 286) to accompany the bill at a later day. I also desire to give notice that I shall ask the Senate to take up the bill for consideration on Monday next, in the event that the pending bill, known as the railroad transportation bill, shall have been disposed of.

The VICE PRESIDENT. The bill will be placed on the calendar.

## BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEWIS:

A bill (S. 3929) for the construction of a private conduit across Michigan Avenue NE., in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JONES of Washington:

A bill (S. 3930) granting an increase of pension to Francis A. Hoagland (with accompanying papers); to the Committee on Pensions.

By Mr. SHERMAN:

A bill (S. 3931) granting an increase of pension to James N. Harris; to the Committee on Pensions.

## AMENDMENTS TO APPROPRIATION BILLS.

Mr. GALLINGER submitted an amendment proposing to appropriate \$10,000 for the purchase and installation of a new elevator in the Central Dispensary and Emergency Hospital, intended to be proposed by him to the urgent deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment providing that within two years after the conclusion of the existing war the buildings provided for shall be removed and parcels of land known as East Seaton Park and West Seaton Park, in the city of Washington, shall be attached to and become a part of the United States Botanic Garden, etc., intended to be proposed by him to

the urgent deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. WILLIAMS submitted an amendment authorizing the Secretary of the Interior to enroll as members of the Choctaw Tribe of Indians all persons identified as Mississippi Choctaws by the Commission to the Five Civilized Tribes, under the provision of section 21 of the act of Congress approved June 28, 1898, and also to enroll all full-blooded Mississippi Choctaws not heretofore enrolled and all persons who may satisfactorily establish their rights as descendants of Choctaws, etc., intended to be proposed by him to the Indian appropriation bill, which was ordered to lie on the table and be printed.

Mr. GORE submitted an amendment providing that hereafter any moneys received by the United States in payment of charges fixed by the Secretary of Agriculture on account of cleaning and disinfecting of plants constructed therefor out of any appropriation made on account of the pink boll worm be appropriated and made immediately available during the continuance of such emergency, etc., intended to be proposed by him to the Agriculture appropriation bill, which was ordered to lie on the table and be printed.

## THE PANAMA RAILROAD CO. (S. DOC. NO. 179).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was ordered to be printed, and, with the accompanying paper, referred to the Committee on Inter-oceanic Canals.

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the Sixty-eighth Annual Report of the Board of Directors of the Panama Railroad Co. for the fiscal year ending June 30, 1917.

WOODROW WILSON.

THE WHITE HOUSE, February 20, 1918.

## RECESS.

Mr. SMITH of South Carolina. I move that the Senate take a recess until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 6 o'clock and 13 minutes p. m., Thursday, February 21, 1918) the Senate took a recess until to-morrow, Friday, February 22, 1918, at 11 o'clock a. m.

## NOMINATIONS.

Executive nominations received by the Senate February 21, 1918.

## PUBLIC HEALTH SERVICE.

Dr. Marion Flint Haralson to be assistant surgeon in the Public Health Service, to take effect from date of oath. New office.

Dr. John Friend Mahoney to be assistant surgeon in the Public Health Service, to take effect from date of oath. New office.

Dr. Hugh David Ward, to be assistant surgeon in the Public Health Service, to take effect from date of oath. New office.

## APPOINTMENTS IN THE ARMY.

## CHAPLAINS.

Rev. Thomas A. Harkins, of Oklahoma, with rank from February 14, 1918.

Rev. John W. Inzer, of Alabama, with rank from February 15, 1918.

## MEDICAL CORPS.

First Lieut. Charles Robert Henry, Medical Reserve Corps, to be first lieutenant with rank from February 15, 1918, to fill an existing vacancy.

## APPOINTMENTS IN THE NATIONAL ARMY.

TO BE BRIGADIER GENERALS WITH RANK FROM FEBRUARY 18, 1918.

## Adjutant General's Department.

Col. Henry G. Learnard, adjutant general.

## Inspector General's Department.

Col. William T. Wood, United States Army, retired.

Col. Thomas Q. Donaldson, inspector general.

## Ordnance Department.

Col. William S. Peirce, Ordnance Department.

Col. John H. Rice, Ordnance Department.

Col. Tracy C. Dickson, Ordnance Department.

## PROVISIONAL APPOINTMENTS IN THE ARMY.

## INFANTRY ARM.

John Thomas Bell, late cadet, United States Military Academy, to be second lieutenant with rank from October 26, 1917.

Second Lieut. Arthur Edmund Hirschler, Officers' Reserve Corps, to be second lieutenant with rank from date of appointment.

## PROVISIONAL APPOINTMENTS, BY TRANSFER, IN THE ARMY.

## CAVALRY ARM.

Second Lieut. George Stewart Warren, Thirty-ninth Infantry, to be second lieutenant of Cavalry with rank from October 26, 1917.

## FIELD ARTILLERY ARM.

Second Lieut. John S. Fishback, Infantry, to be second lieutenant with rank from October 26, 1917.

## INFANTRY ARM.

Second Lieut. Bernard M. Barcalow, Field Artillery, to be second lieutenant of Infantry with rank from October 26, 1917.

Second Lieut. James Robert Lowry, jr., Eleventh Cavalry, to be second lieutenant of Infantry with rank from October 26, 1917.

## PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

## COAST ARTILLERY CORPS.

Second Lieut. Arthur H. Warner, Coast Artillery Corps, to be first lieutenant with rank from October 26, 1918.

## INFANTRY ARM.

Second Lieut. John Thomas Bell to be first lieutenant with rank from October 26, 1917.

## CAVALRY ARM.

*To be first lieutenants with rank from October 12, 1917.*

Second Lieut. Vance W. Batchelor, Cavalry.  
 Second Lieut. Truman E. Boudinot, Cavalry.  
 Second Lieut. James R. Wood, Cavalry.  
 Second Lieut. William J. Gallagher, Cavalry.  
 Second Lieut. Charles Rudd, Cavalry.  
 Second Lieut. James G. Strobbridge, Cavalry.  
 Second Lieut. Stephen Boon, jr., Cavalry.  
 Second Lieut. Harold G. Holt, Cavalry.  
 Second Lieut. Walter Gunther, Cavalry.  
 Second Lieut. Roy V. Morledge, Cavalry.  
 Second Lieut. John W. Noble, Cavalry.  
 Second Lieut. Herman R. Crille, Cavalry.  
 Second Lieut. Joseph E. Torrence, Cavalry.  
 Second Lieut. Charles G. Hutchinson, Cavalry.  
 Second Lieut. Chester P. Dorland, Cavalry (Signal Corps).  
 Second Lieut. Ernest D. McQueen, Cavalry.  
 Second Lieut. Archie E. Groff, Cavalry.  
 Second Lieut. George D. Wiltshire, Cavalry.  
 Second Lieut. Alfonso F. Zerbee, Cavalry.  
 Second Lieut. Jackson B. Wood, Cavalry.  
 Second Lieut. Arthur J. Wehr, Cavalry.  
 Second Lieut. Robert C. Scott, Cavalry.  
 Second Lieut. Ernest F. Apeldorn, jr., Cavalry.

*To be first lieutenants with rank from October 24, 1917.*

Second Lieut. John R. Evans, jr., Cavalry.  
 Second Lieut. DeLancey Bentley, Cavalry.  
 Second Lieut. William P. Rauch, Cavalry.  
 Second Lieut. John A. Garvin, Cavalry.  
 Second Lieut. Daniel D. Streeter, Cavalry.  
 Second Lieut. Randolph Russell, Cavalry.  
 Second Lieut. Ralston D. Livingston, Cavalry.  
 Second Lieut. Brock Putnam, Cavalry.  
 Second Lieut. Leland L. Miller, Cavalry.  
 Second Lieut. Edwin M. Sumner, Cavalry.  
 Second Lieut. William J. McChesney, jr., Cavalry.  
 Second Lieut. Joseph Sheehan, Cavalry.  
 Second Lieut. James M. Currin, Cavalry.  
 Second Lieut. Thomas H. Green, Cavalry.  
 Second Lieut. William H. C. Grimes, Cavalry.  
 Second Lieut. Russell C. Winchester, Cavalry.  
 Second Lieut. James S. Rodwell, Cavalry.  
 Second Lieut. Charles F. Choate, 3d, Cavalry.  
 Second Lieut. Charles D. Ryan, Cavalry.  
 Second Lieut. Nathaniel Holmes, Cavalry.  
 Second Lieut. Kirk Broadbudd, Cavalry.  
 Second Lieut. Paul Blackmer, Cavalry.  
 Second Lieut. Herbert A. Suman, Cavalry.  
 Second Lieut. Harold de B. Bruck, Cavalry.  
 Second Lieut. Donald A. Young, Cavalry.

*To be first lieutenants with rank from October 25, 1917.*

Second Lieut. Hans C. Minuth, Cavalry.  
 Second Lieut. Edwin C. Gere, Cavalry.  
 Second Lieut. John M. Sweeney, jr., Cavalry.  
 Second Lieut. George G. Ball, Cavalry.  
 Second Lieut. Samuel C. Skemp, Cavalry.  
 Second Lieut. Jacob M. Carter, jr., Cavalry.  
 Second Lieut. Thomas P. Hazard, Cavalry.  
 Second Lieut. Francis C. Dossert, Cavalry.

*To be first lieutenants with rank from November 5, 1917.*

Second Lieut. George W. Ewing, jr., Cavalry.  
 Second Lieut. Crawford C. Madeira, Cavalry.  
 Second Lieut. Charles P. Davis, Cavalry.  
 Second Lieut. Harry R. Kilbourne, Cavalry.  
 Second Lieut. Elmer E. Finck, Cavalry.  
 Second Lieut. Harry H. Semmes, Cavalry.

*To be first lieutenant with rank from November 10, 1917.*

Second Lieut. Clifford A. Eastwood, Cavalry.

*To be first lieutenant with rank from November 30, 1917.*

Second Lieut. Guy A. Russell, Cavalry.

*To be first lieutenant with rank from December 1, 1917.*

Second Lieut. Fenton S. Jacobs, Cavalry.

*To be first lieutenant with rank from January 8, 1918.*

Second Lieut. Catesby ap C. Jones, Cavalry.

*To be first lieutenant with rank from January 9, 1918.*

Second Lieut. Charles Wharton, Cavalry.

## TEMPORARY PROMOTIONS IN THE ARMY.

## CORPS OF ENGINEERS.

*To be major with rank from July 13, 1917.*

Capt. Clarence L. Sturdevant, Corps of Engineers, vice Maj. Thomas H. Jackson, promoted.

*To be major with rank from July 14, 1917.*

Capt. Earl J. Atkisson, Corps of Engineers, vice Maj. George B. Pillsbury, promoted.

*To be major with rank from July 18, 1917.*

Capt. Richard T. Coiner, Corps of Engineers, vice Maj. Gustave R. Lukesh, promoted.

*To be majors with rank from August 5, 1917.*

Capt. Robert S. A. Dougherty, Corps of Engineers, vice Maj. John R. Slattery, promoted.

Capt. Stuart C. Godfrey, Corps of Engineers, vice Maj. Albert E. Waldron, promoted.

Capt. Francis C. Harrington, Corps of Engineers, vice Maj. Francis A. Pope, promoted.

Capt. Edwin H. Marks, Corps of Engineers, vice Maj. Ernest D. Peek, promoted.

Capt. Earl North, Corps of Engineers, vice Maj. George R. Spalding, promoted.

Capt. Albert H. Acher, Corps of Engineers, vice Maj. Paul S. Bond, appointed colonel in the National Army.

Capt. Gilbert Van B. Wilkes, Corps of Engineers, vice Maj. Elliott J. Dent, promoted.

Capt. John C. H. Lee, Corps of Engineers, vice Maj. William L. Guthrie, appointed colonel in the National Army.

Capt. Frank S. Besson, Corps of Engineers, vice Maj. Henry C. Jewett, appointed colonel in the National Army.

Capt. Lindsay C. Herkness, Corps of Engineers, vice Maj. William P. Stoekey, promoted.

Capt. Roscoe C. Crawford, Corps of Engineers, vice Maj. Ernest Graves, promoted.

Capt. Bradford G. Chynoweth, Corps of Engineers, vice Maj. Francis B. Wilby, promoted.

Capt. Gordon R. Young, Corps of Engineers, vice Maj. James J. Loving, promoted.

Capt. Lunsford E. Oliver, Corps of Engineers, vice Maj. John W. N. Schulz, promoted.

## CAVALRY ARM.

*To be colonel with rank from January 26, 1918.*

Lieut. Col. Edgar A. Sirmyer, Cavalry.

*To be lieutenant colonels with rank from January 26, 1918.*

Maj. Hamilton Bowie, Cavalry.

Maj. Frederick J. Herman, Cavalry (Quartermaster Corps).

Maj. Ben Lear, jr., Cavalry (General Staff Corps).

Maj. George P. Tyner, Cavalry (General Staff Corps).

Maj. Walter F. Martin, Cavalry.

*To be majors with rank from January 24, 1918.*

Capt. Walter F. Martin, Cavalry.

Capt. N. Butler Briscoe, Cavalry.

*To be majors with rank from January 26, 1918.*

Capt. Elbert E. Farman, jr., Cavalry.

Capt. George S. Patton, jr., Cavalry.

Capt. James R. Hill, Cavalry.

*To be captains with rank from January 24, 1918.*

First Lieut. Peter T. Coxe, Cavalry.

First Lieut. Francis J. Bouche, Cavalry.

First Lieut. William H. Sweet, Cavalry.

*To be captains with rank from January 26, 1918.*

First Lieut. Louis Cansler, Cavalry (Signal Corps).  
 First Lieut. William Van D. Ochs, Cavalry.  
 First Lieut. Lee L. Elzas, Cavalry.  
 First Lieut. Owen G. Fowler, Cavalry.

*To be first lieutenants with rank from January 23, 1918.*

Second Lieut. Calvert L. Estill, Cavalry.  
 Second Lieut. Nathan Cockrell, Cavalry.

*To be first lieutenants with rank from January 24, 1918.*

Second Lieut. Channing C. Beeth, Cavalry.  
 Second Lieut. Cecil T. North, Cavalry.  
 Second Lieut. Robert M. Elchelsdoerfer, Cavalry.  
 Second Lieut. Edmund H. Driggs, jr., Cavalry.

*To be first lieutenants with rank from January 26, 1918.*

Second Lieut. James T. Watson, jr., Cavalry.  
 Second Lieut. Roswell E. Round, Cavalry.  
 Second Lieut. William D. Thompson, Cavalry.

*To be first lieutenants with rank from August 12, 1917.*

Second Lieut. Murray H. Ellis, Cavalry, vice First Lieut. Charles C. Smith, promoted.  
 Second Lieut. Wolcott P. Hayes, Cavalry, vice First Lieut. Harrison Herman, promoted.

*To be first lieutenant with rank from August 15, 1917.*

Second Lieut. Joseph I. Lambert, Cavalry, vice First Lieut. William W. Dempsey, promoted.

*To be first lieutenants with rank from August 16, 1917.*

Second Lieut. Ralph W. Rogers, Cavalry, vice First Lieut. Robert R. D. McCullough, promoted.  
 Second Lieut. William P. Medlar, Cavalry, vice First Lieut. Chapman Grant, promoted.  
 Second Lieut. Lawrence A. Shafer, Cavalry, vice First Lieut. Duncan G. Richart, promoted.  
 Second Lieut. Thurlby M. Rundel, Cavalry, vice First Lieut. Daniel A. Connor, promoted.  
 Second Lieut. Charles B. B. Bubb, Cavalry, vice First Lieut. Harley C. Dagley, promoted.  
 Second Lieut. Paul E. McDermott, Cavalry, vice First Lieut. Charles L. Clifford, promoted.  
 Second Lieut. Gustav B. Guenther, Cavalry, vice First Lieut. Gaston L. Holmes, promoted.  
 Second Lieut. William H. Skinner, Cavalry, vice First Lieut. George W. Wersebe, promoted.  
 Second Lieut. Leslie F. Lawrence, Cavalry, vice First Lieut. Milton R. Fisher, promoted.  
 Second Lieut. Horace W. Forster, Cavalry, vice First Lieut. John S. Jadwin, promoted.  
 Second Lieut. Franklin C. Ketler, Cavalry, vice First Lieut. Arthur P. Thayer, promoted.  
 Second Lieut. Charles Pope, 2d, Cavalry, vice First Lieut. Edward R. Scheitlin, promoted.  
 Second Lieut. Waldemar A. Falck, Cavalry, vice First Lieut. Edwin A. Martin, promoted.  
 Second Lieut. Carl J. Rohsenberger, Cavalry, vice First Lieut. Jay D. B. Lattin, promoted.  
 Second Lieut. Crawford M. Kellogg, Cavalry, vice First Lieut. Frank G. Ringland, promoted.  
 Second Lieut. James V. McDowell, Cavalry, vice First Lieut. John B. Harper, promoted.  
 Second Lieut. Harry L. Hart, Cavalry, vice First Lieut. Oliver I. Holman, promoted.  
 Second Lieut. James H. B. Bogman, Cavalry, vice First Lieut. John J. Bohn, promoted.  
 Second Lieut. Robert H. Gallier, Cavalry, vice First Lieut. John C. Garrett, promoted.  
 Second Lieut. Percy S. Haydon, Cavalry, vice First Lieut. Grover R. Carl, promoted.  
 Second Lieut. David J. Chaille, Cavalry, vice First Lieut. Hugh D. Blanchard, promoted.  
 Second Lieut. Albert E. McIntosh, Cavalry, vice First Lieut. James G. Monihan, promoted.

*To be first lieutenants with rank from August 17, 1917.*

Second Lieut. Jefferson Kinney, jr., Cavalry, vice First Lieut. Anthony J. Kirst, promoted.  
 Second Lieut. Halbert H. Neilson, Cavalry, vice First Lieut. William B. Simmons, promoted.  
 Second Lieut. Leland C. McAuley, Cavalry, vice First Lieut. Rexford E. Willoughby, promoted.  
 Second Lieut. Carl R. Johnston, Cavalry, vice First Lieut. John D. Austin, promoted.

Second Lieut. Vance W. Batchelor, Cavalry, vice First Lieut. Cleo D. Mayhugh, promoted.

Second Lieut. Truman E. Boudinot, Cavalry, vice First Lieut. Second Lieut. Dean R. De Merritt, Cavalry, vice First Lieut. John P. Kaye, promoted.  
 James W. Barnett, promoted.

Second Lieut. James R. Wood, Cavalry, vice First Lieut. John C. Mullenix, promoted.

*To be first lieutenants with rank from August 18, 1917.*

Second Lieut. William J. Gallagher, Cavalry, vice First Lieut. Ross McCoy, promoted.

Second Lieut. Charles Rudd, Cavalry, vice First Lieut. Howard C. Tobin, promoted.

Second Lieut. James G. Strobbridge, Cavalry, vice First Lieut. John A. Weeks, promoted.

*To be first lieutenants with rank from August 19, 1917.*

Second Lieut. Stephen Boon, jr., Cavalry, vice First Lieut. Walter E. Buchly, promoted.

Second Lieut. Harold G. Holt, Cavalry, vice First Lieut. Harold C. Mandell, promoted.

Second Lieut. Walter Gunther, Cavalry, vice First Lieut. Lester A. Sprinkle, promoted.

Second Lieut. Roy V. Morledge, Cavalry, vice First Lieut. Robert W. Grow, promoted.

Second Lieut. John W. Noble, Cavalry, vice First Lieut. Terrill E. Price, promoted.

Second Lieut. Herman R. Crile, Cavalry, vice First Lieut. William H. Kasten, promoted.

Second Lieut. Joseph E. Torrence, Cavalry, vice First Lieut. Leon E. Ryder, promoted.

Second Lieut. Charles G. Hutchinson, Cavalry, vice First Lieut. Richard L. Creed, promoted.

Second Lieut. Chester P. Dorland, Cavalry, vice First Lieut. William M. Hussion, promoted.

Second Lieut. Ernest D. McQueen, Cavalry, vice First Lieut. Harry L. Putnam, promoted.

Second Lieut. Archie E. Groff, Cavalry, vice First Lieut. Roderick R. Allen, promoted.

Second Lieut. George D. Wiltshire, Cavalry, vice First Lieut. Adolphus W. Roffe, promoted.

Second Lieut. Lieut. Alfonso F. Zerbe, Cavalry, vice First Lieut. Ion C. Holm, promoted.

Second Lieut. Jackson B. Wood, Cavalry, vice First Lieut. Robert C. Candee, promoted.

Second Lieut. Arthur J. Wear, Cavalry, vice First Lieut. Joseph L. Phillips, promoted.

Second Lieut. Robert C. Scott, Cavalry, vice First Lieut. Kenneth McCatty, promoted.

*To be first lieutenant with rank from August 24, 1917.*

Second Lieut. Ernest F. Apeldorn, jr., Cavalry, vice First Lieut. Joseph W. Geer, promoted.

*To be first lieutenants with rank from August 20, 1917.*

Second Lieut. Grayson C. Woodbury, Cavalry, vice First Lieut. Edwin D. Morgan, jr., promoted.

Second Lieut. Duncan G. McGregor, Cavalry, vice First Lieut. Leslie B. C. Jones, promoted.

Second Lieut. Thomas J. Heavey, Cavalry, vice First Lieut. Kramer Thomas, promoted.

Second Lieut. Wallace F. Safford, Cavalry, vice First Lieut. James R. Finley, promoted.

Second Lieut. Joshua A. Stansell, Cavalry, vice First Lieut. Willard S. Wadleton, promoted.

Second Lieut. Raymond E. S. Williamson, Cavalry, vice First Lieut. Hale S. Cook, promoted.

Second Lieut. David C. G. Schlenker, Cavalry, vice First Lieut. John M. Jenkins, jr., promoted.

Second Lieut. Harry T. Wood, Cavalry, vice First Lieut. Beverly H. Colner, promoted.

Second Lieut. Earl F. Knoob, Cavalry, vice First Lieut. Albert D. Chipman, promoted.

Second Lieut. Robert E. Symmonds, Cavalry, vice First Lieut. Arthur H. Truxes, promoted.

Second Lieut. John R. W. Diehl, Cavalry, vice First Lieut. Gordon J. F. Heron, promoted.

Second Lieut. Rudolph D. Delehanty, Cavalry, vice First Lieut. Carl C. Krueger, promoted.

Second Lieut. William H. W. Reinburg, Cavalry, vice First Lieut. Hugh M. Gregory, promoted.

Second Lieut. Elmer H. Almquist, Cavalry, vice First Lieut. Oron A. Palmer, promoted.

Second Lieut. Frank L. Carr, Cavalry, vice First Lieut. Stanley Bacon, promoted.

Second Lieut. Frank E. Bertholet, Cavalry, vice First Lieut. Samuel V. Constant, promoted.

Second Lieut. Marion Carson, Cavalry, vice First Lieut. William C. Chase, promoted.

Second Lieut. Rossiter H. Garity, Cavalry, vice First Lieut. Norman E. Fiske, promoted.

Second Lieut. Frank C. Jedlicka, Cavalry, vice First Lieut. Donald O. Miller, promoted.

Second Lieut. Leo B. Conner, Cavalry, vice First Lieut. Richard D. Gile, promoted.

Second Lieut. John B. Saunders, Cavalry, vice First Lieut. Wilson T. Bals, promoted.

Second Lieut. Arthur B. Custis, Cavalry, vice First Lieut. Cyrus J. Wilder, promoted.

Second Lieut. Desmond O'Keefe, Cavalry, vice First Lieut. Harold C. Fellows, promoted.

Second Lieut. Hal M. Rose, Cavalry, vice First Lieut. John T. Pierce, jr., promoted.

Second Lieut. Frederick J. Durrschmidt, Cavalry, vice First Lieut. Henry H. Anderson, promoted.

Second Lieut. Milton W. Davis, Cavalry, vice First Lieut. George M. Herringshaw, promoted.

Second Lieut. John B. Bellinger, jr., Cavalry, vice First Lieut. Thomas F. Limbocker, promoted.

*To be first lieutenant with rank from October 4, 1917.*

Second Lieut. John R. Evans, Cavalry, vice First Lieut. Cornelius M. Daly, promoted.

*To be first lieutenants with rank from October 25, 1917.*

Second Lieut. Fenton S. Jacobs, Cavalry, vice First Lieut. Richard B. Trimble, promoted.

Second Lieut. Catesby ap C. Jones, Cavalry, vice First Lieut. Arthur S. Harrington, promoted.

Second Lieut. Charles Wharton, Cavalry, vice First Lieut. Frank L. Whittaker, promoted.

Second Lieut. W. Dirk Van Ingen, Cavalry, vice First Lieut. Philip H. Sherwood, promoted.

Second Lieut. Herbert V. Scanlan, Cavalry, vice First Lieut. Robert S. La Motte, promoted.

Second Lieut. Sigurd von Christierson, Cavalry, vice First Lieut. George M. Gillet, jr., promoted.

Second Lieut. Kenneth O. Spinning, Cavalry, vice First Lieut. Arthur E. Pickard, promoted.

Second Lieut. Curt E. Hansen, Cavalry, vice First Lieut. James F. Dewhurst, promoted.

Second Lieut. Vincent P. Ryan, Cavalry, vice First Lieut. Donald S. Perry, promoted.

Second Lieut. Raymond C. Blatt, Cavalry, vice First Lieut. Thomas S. Poole, promoted.

Second Lieut. Clinton de Witt, Cavalry, vice First Lieut. Frederick G. Rosenberg, promoted.

Second Lieut. Harold J. Adams, Cavalry, vice First Lieut. Frederick R. Lafferty, promoted.

Second Lieut. William B. Van Auken, Cavalry, vice First Lieut. Carl H. Strong, promoted.

Second Lieut. Harold Kitson, Cavalry, vice First Lieut. Meade Firerson, jr., promoted.

Second Lieut. John Boies, Cavalry, vice First Lieut. Arthur T. Lacey, promoted.

Second Lieut. Charles R. Gross, Cavalry, vice First Lieut. David W. Craig, promoted.

Second Lieut. Irvine L. McAlister, Cavalry, vice First Lieut. Edmund M. Barnum, promoted.

Second Lieut. Robert G. Breene, Cavalry, vice First Lieut. Thomas A. Dobyns, jr., promoted.

Second Lieut. James I. Gibbon, Cavalry, vice First Lieut. John T. Minton, promoted.

Second Lieut. Walter C. Butler, Cavalry, vice First Lieut. Edward S. Bassett, promoted.

Second Lieut. Don Briley, Cavalry, vice First Lieut. Edward F. Shafer, promoted.

Second Lieut. Howard F. Long, Cavalry, vice First Lieut. George M. Peabody, jr., promoted.

Second Lieut. Benjamin Lufkin, Cavalry, vice First Lieut. Athael B. Ellis, promoted.

Second Lieut. Burton C. Andrus, Cavalry, vice First Lieut. Harrie K. Dalbey, promoted.

Second Lieut. Harold E. Lewis, Cavalry, vice First Lieut. John W. McDonald, promoted.

Second Lieut. Newell P. Weed, Cavalry, vice First Lieut. Victor Kerney, promoted.

Second Lieut. Arthur H. Besse, Cavalry, vice First Lieut. David H. Blakelock, promoted.

Second Lieut. Charles W. White, Cavalry, vice First Lieut. Rinaldo L. Coe, promoted.

Second Lieut. John R. Lindsey, Cavalry, vice First Lieut. Harold J. Duffey, promoted.

Second Lieut. George L. Snelling, Cavalry, vice First Lieut. Jay K. Colwell, promoted.

Second Lieut. Duane L. Tice, Cavalry, vice First Lieut. Amory C. Cotchett, promoted.

Second Lieut. Jason B. Hart, Cavalry, vice First Lieut. Otis Porter, promoted.

Second Lieut. Roland H. Rogers, Cavalry, vice First Lieut. Arthur C. D. Anderson, promoted.

Second Lieut. Fred N. Raymond, Cavalry, vice First Lieut. Emory M. Mace, promoted.

Second Lieut. Glenn W. Keith, Cavalry, vice First Lieut. Harry H. Dunn, promoted.

Second Lieut. Roscoe C. B. Ellard, Cavalry, vice First Lieut. George L. Morrison, promoted.

Second Lieut. Robert C. Knowlton, Cavalry, vice First Lieut. Renn Lawrence, promoted.

Second Lieut. Richard H. Pinney, Cavalry, vice First Lieut. Joseph A. Covington, promoted.

Second Lieut. Garland C. Black, Cavalry, vice First Lieut. John L. Rice, promoted.

Second Lieut. George A. Delaney, Cavalry, vice First Lieut. Nelson M. Imboden, promoted.

Second Lieut. Keith F. Driscoll, Cavalry, vice First Lieut. Randolph Dickens, promoted.

Second Lieut. Albert G. Hunt, Cavalry, vice First Lieut. John N. Steele, promoted.

Second Lieut. Egbert F. Bullene, Cavalry, vice First Lieut. Eugene M. Dwyer, promoted.

Second Lieut. Arthur W. Stanley, Cavalry, vice First Lieut. Wharton G. Ingram, promoted.

Second Lieut. Harold E. Brailey, Cavalry, vice First Lieut. Edward S. Moale, promoted.

Second Lieut. Carleton Burgess, Cavalry, vice First Lieut. Adrian St. John, promoted.

*To be first lieutenants with rank from October 26, 1917.*

Second Lieut. Frederick H. Vandegrift, Cavalry, vice First Lieut. Frederick J. Holzbaur, promoted.

Second Lieut. Harry E. Dodge, Cavalry, vice First Lieut. George H. Carruth, promoted.

Second Lieut. Charles F. Palmer, Cavalry, vice First Lieut. Robert M. Carswell, promoted.

Second Lieut. Jay D. D. Marcellus, Cavalry, vice First Lieut. Walter C. Merkel, promoted.

Second Lieut. Lewis D. Cooper, jr., Cavalry, vice First Lieut. Joseph M. Hurt, jr., promoted.

Second Lieut. Charles J. Davis, Cavalry, vice First Lieut. George I. Speer, promoted.

Second Lieut. George W. Outland, Cavalry, vice First Lieut. Charles B. Duncan, promoted.

Second Lieut. John M. Moose, jr., Cavalry, vice First Lieut. Ferris M. Angevine, promoted.

Second Lieut. Nelson R. Perry, Cavalry, vice First Lieut. Julian W. Cunningham, promoted.

Second Lieut. Innes Randolph, Cavalry, vice First Lieut. Sam G. Fuller, promoted.

Second Lieut. Carl B. Byrd, Cavalry, vice First Lieut. Clinton A. Pierce, promoted.

Second Lieut. Thomas Brady, jr., Cavalry, vice First Lieut. Thomas M. Cockrill, promoted.

Second Lieut. Gilbert X. Cheves, Cavalry, vice First Lieut. Delmore S. Wood, promoted.

Second Lieut. Wingate Battle, Cavalry, vice First Lieut. Arthur Vollmer, promoted.

Second Lieut. Harold B. Wharfield, Cavalry, vice First Lieut. Otto B. Trigg, promoted.

Second Lieut. Wade C. Gatchell, Cavalry, vice First Lieut. George W. L. Prettyman, promoted.

Second Lieut. Henry G. White, Cavalry, vice First Lieut. Thomas M. Turner, promoted.

Second Lieut. Norman D. Twichell, Cavalry, vice First Lieut. Horace L. Hudson, promoted.

Second Lieut. Andrew J. Wynne, Cavalry, vice First Lieut. Lawrence C. Frizzell, promoted.

Second Lieut. Howard C. Wiener, Cavalry, vice First Lieut. Jean F. Sabin, promoted.

Second Lieut. Walter F. Goodman, Cavalry, vice First Lieut. Robert F. White, promoted.

Second Lieut. Thomas M. Benson, Cavalry, vice First Lieut. Henry D. Jay, promoted.

Second Lieut. Edward F. Porter, Cavalry, vice First Lieut. Ray L. Burnell, promoted.

Second Lieut. Lucian K. Truscott, jr., Cavalry, vice First Lieut. Arthur W. Hartman, promoted.

Second Lieut. Ralph E. Alstead, Cavalry, vice First Lieut. John W. Berry, promoted.

Second Lieut. Arthur S. Kelley, Cavalry, vice First Lieut. Joseph N. Marx, promoted.

Second Lieut. James H. Akerman, Cavalry, vice First Lieut. George Sawtelle, promoted.

Second Lieut. Raymond T. Connell, Cavalry, vice First Lieut. Ray Harrison, promoted.

Second Lieut. James N. W. McClure, Cavalry, vice First Lieut. William F. Daugherty, promoted.

Second Lieut. Gabriel R. Mead, Cavalry, vice First Lieut. John T. Cole, promoted.

Second Lieut. Millard G. Harnden, Cavalry, vice First Lieut. Stephen H. Sherrill, promoted.

Second Lieut. David McK. Wilson, Cavalry, vice First Lieut. Charles H. Gerhardt, promoted.

Second Lieut. Leonard M. Mertz, Cavalry, vice First Lieut. Walter H. Schulze, promoted.

Second Lieut. Ernest A. Williams, Cavalry, vice First Lieut. Herbert C. Holdridge, promoted.

Second Lieut. Daniel H. McCarthy, Cavalry, vice First Lieut. Albert C. Smith, promoted.

Second Lieut. Slocum Kingsbury, Cavalry, vice First Lieut. Nicholas W. Lisle, promoted.

Second Lieut. George H. Millholland, Cavalry, vice First Lieut. Percy G. Black, promoted.

Second Lieut. Gardiner S. Platt, Cavalry, vice First Lieut. Albert C. Stanford, promoted.

Second Lieut. Roy I. Phares, Cavalry, vice First Lieut. Louis Le R. Martin, promoted.

Second Lieut. Donald R. Dunkle, Cavalry, vice First Lieut. William K. Harrison, promoted.

Second Lieut. Chester E. Davis, Cavalry, vice First Lieut. Josiah F. Morford, promoted.

Second Lieut. Holmes G. Paullin, Cavalry, vice First Lieut. Ernest N. Harmon, promoted.

Second Lieut. Francis R. Kenney, Cavalry, vice First Lieut. Joseph S. Tate, promoted.

Second Lieut. Monroe P. Smith, Cavalry, vice First Lieut. Arthur M. Harper, promoted.

Second Lieut. John H. Irving, Cavalry, vice First Lieut. John W. Confer, jr., promoted.

Second Lieut. Evan D. Cameron, jr., Cavalry, vice First Lieut. Herbert N. Schwarzkopf, promoted.

Second Lieut. William F. McLaughlin, Cavalry, vice First Lieut. Robert N. Kunz, promoted.

Second Lieut. Glenn S. Finley, Cavalry, vice First Lieut. Charles S. Kilbourn, promoted.

Second Lieut. Manly F. Meador, Cavalry, vice First Lieut. Charles R. Johnson, jr., promoted.

Second Lieut. Ernest F. Sexton, Cavalry, vice First Lieut. Coalter B. Compton, promoted.

Second Lieut. Stephen W. Davis, Cavalry, vice First Lieut. Folsome R. Parker, promoted.

Second Lieut. Lynn B. Conde, Cavalry, vice First Lieut. Guy H. Doshier, promoted.

Second Lieut. Clarence B. Werts, Cavalry, vice First Lieut. Cecil R. Neal, promoted.

Second Lieut. Henry R. Miller, jr., Cavalry, vice First Lieut. Myer S. Silven, promoted.

Second Lieut. John H. G. Rely, Cavalry, vice First Lieut. William H. Symington, promoted.

Second Lieut. Charles H. Unger, Cavalry, vice First Lieut. Philip B. Fryer, promoted.

Second Lieut. William D. Tabor, Cavalry, vice First Lieut. Donald C. Hawley, promoted.

Second Lieut. Horace S. King, Cavalry, vice First Lieut. Vernon L. Padgett, promoted.

Second Lieut. Edward M. Fickett, Cavalry, vice First Lieut. Jay W. MacKellvie, promoted.

Second Lieut. James C. Van Ingen, Cavalry, vice First Lieut. Francis T. Bonsteel, promoted.

Second Lieut. Callie H. Palmer, Cavalry, vice First Lieut. William E. Barott, promoted.

Second Lieut. Charles R. Chase, Cavalry, vice First Lieut. Wallace F. Hamilton, promoted.

Second Lieut. Thomas F. Mishou, jr., Cavalry, vice First Lieut. Frank Nelson, promoted.

Second Lieut. Robert B. Jackson, Cavalry, vice First Lieut. William E. McMinn, promoted.

Second Lieut. Christopher C. Strawn, Cavalry, vice First Lieut. Edmund M. Crump, promoted.

Second Lieut. Allyn R. Brownson, Cavalry, vice First Lieut. Herman F. Rathjen, promoted.

Second Lieut. John R. Breiting, Cavalry, vice First Lieut. Daniel J. Keane, promoted.

Second Lieut. Robert D. Beer, Cavalry, vice First Lieut. Milo J. Warner, promoted.

Second Lieut. Alfred J. de Lorimier, Cavalry, vice First Lieut. Le Roy Davis, promoted.

Second Lieut. George S. Warren, Cavalry, vice First Lieut. Anthony J. Tittinger, promoted.

Second Lieut. William O. Coleman, Cavalry, vice First Lieut. Max D. Holmes, promoted.

Second Lieut. Herbert R. Sargent, Cavalry, vice First Lieut. Charles A. Ellis, promoted.

Second Lieut. John E. Ketchum, Cavalry, vice First Lieut. Demas L. Sears, promoted.

Second Lieut. Arwed C. Baltzer, Cavalry, vice First Lieut. Bankston E. Mattox, jr., promoted.

Second Lieut. James W. Ewing, Cavalry, vice First Lieut. Frank H. Barnhart, promoted.

Second Lieut. Wallace Van Cleave, Cavalry, vice First Lieut. John A. Moschner, promoted.

Second Lieut. Karl W. Curtis, Cavalry, vice First Lieut. George E. Harrison, promoted.

Second Lieut. Carl E. Rankin, Cavalry, vice First Lieut. Wesley J. White, promoted.

Second Lieut. Richard E. Tallant, Cavalry, vice First Lieut. Alton W. Howard, promoted.

Second Lieut. Nelson M. Utley, Cavalry, vice First Lieut. Richard W. Carter, promoted.

Second Lieut. John A. McDonald, Cavalry, vice First Lieut. Richard W. Carter, promoted.

Second Lieut. Henry H. Cheshire, Cavalry, vice First Lieut. Kenneth Rowntree, promoted.

Second Lieut. Nathan B. Reynolds, Cavalry, vice First Lieut. George A. King, promoted.

Second Lieut. John Andrew Wood, Cavalry, vice First Lieut. James B. Lockwood, promoted.

Second Lieut. Venable Moore, Cavalry, vice First Lieut. Lionel L. Meyer, promoted.

Second Lieut. Guy L. Furr, Cavalry, vice First Lieut. Frederick H. L. Ryder, promoted.

Second Lieut. Walter McL. Robinson, Cavalry, vice First Lieut. John W. Weeks, promoted.

Second Lieut. John S. Peters, Cavalry, vice First Lieut. Theodore B. Apgar, promoted.

Second Lieut. Herbert L. Earnest, Cavalry, vice First Lieut. Jefferson B. Osborn, promoted.

Second Lieut. Verne Austin, Cavalry, vice First Lieut. Mortimer H. Christian, promoted.

Second Lieut. Willis H. Ryder, Cavalry, vice First Lieut. Marcus R. Monsarratt, promoted.

Second Lieut. Alden H. Torrey, Cavalry, vice First Lieut. Fabius B. Shipp, promoted.

Second Lieut. Morris T. Whitmore, Cavalry, vice First Lieut. James J. Cecil, promoted.

Second Lieut. Samuel Leask, jr., Cavalry, vice First Lieut. George A. Moore, promoted.

Second Lieut. Guy E. Dillard, Cavalry, vice First Lieut. James M. Shelton, promoted.

Second Lieut. Ray T. Maddocks, Cavalry, vice First Lieut. Albert R. Kuschke, promoted.

Second Lieut. Thomas A. Frazier, Cavalry, vice First Lieut. George W. Gay, promoted.

Second Lieut. Victor R. Sladek, Cavalry, vice First Lieut. Forsyth Bacon, promoted.

Second Lieut. James W. Husted, jr., Cavalry, vice First Lieut. Ralph L. Joyner, promoted.

Second Lieut. Richard N. Atwell, Cavalry, vice First Lieut. Roscoe S. Parker, promoted.

Second Lieut. William Elliott, jr., Cavalry, vice First Lieut. Heywood S. Dodd, promoted.

Second Lieut. Thomas B. Locke, Cavalry, vice First Lieut. Kent C. Lambert, promoted.

Second Lieut. Morris S. Daniels, jr., Cavalry, vice First Lieut. George E. Huthsteiner, promoted.

Second Lieut. Frank S. Pope, Cavalry, vice First Lieut. Richard B. Lloyd, promoted.

Second Lieut. Harold G. Davis, Cavalry, vice First Lieut. Maurice Morgan, promoted.

Second Lieut. Robert M. Cherry, Cavalry, vice First Lieut. Gilbert E. Bixby, promoted.

Second Lieut. Roger W. Sawyer, Cavalry, vice First Lieut. Eugene Burnet, promoted.

Second Lieut. John H. Welsh, Cavalry, vice First Lieut. Charles F. Houghton, promoted.

Second Lieut. Edwin J. Kratzberg, Cavalry, vice First Lieut. Harry A. Buckley, promoted.

Second Lieut. Robert D. Coye, Cavalry, vice First Lieut. James E. Slack, promoted.

Second Lieut. Almet F. Jenks, jr., Cavalry, vice First Lieut. Culver S. Mitcham, promoted.

Second Lieut. James P. Gifford, Cavalry, vice First Lieut. William A. Johnson, promoted.

Second Lieut. Vern Hinkley, Cavalry, vice First Lieut. Harold B. Gibson, promoted.

Second Lieut. Charles C. Allen, jr., Cavalry, vice First Lieut. John D. Hood, promoted.

Second Lieut. A. Herman Stump, Cavalry, First Lieut. Charles S. Lawrence, promoted.

Second Lieut. John O. Lawrence, Cavalry, vice First Lieut. Melvin S. Williamson, promoted.

Second Lieut. Charles W. Glover, Cavalry, vice First Lieut. Evarts W. Opie, promoted.

Second Lieut. William R. Evans, Cavalry, vice First Lieut. Frank P. Stretton, promoted.

Second Lieut. John K. Galle, jr., Cavalry, vice First Lieut. Paul Hurlburt, promoted.

Second Lieut. Warren L. Shumaker, Cavalry, vice First Lieut. Aaron Y. Hardy, promoted.

Second Lieut. Charles R. Simmons, Cavalry, vice First Lieut. Earl B. Wilson, promoted.

Second Lieut. James Van V. Shufelt, Cavalry, vice First Lieut. Edmund J. Engel, promoted.

Second Lieut. William H. Davidson, Cavalry, vice First Lieut. John E. Grant, promoted.

Second Lieut. Herbert A. Welch, Cavalry, vice First Lieut. Jack M. Reardon, promoted.

Second Lieut. Hobart R. Gay, Cavalry, vice First Lieut. Lewis Mesherly, promoted.

Second Lieut. Rutherford L. Hammond, Cavalry, vice First Lieut. Lewis A. Weiss, promoted.

Second Lieut. Paul H. Alling, Cavalry, vice First Lieut. Francis E. Cheney, promoted.

Second Lieut. Ervin W. Harrison, jr., Cavalry, vice First Lieut. Robert P. Mortimer, promoted.

Second Lieut. Raymond G. Clark, Cavalry, vice First Lieut. Lee T. Victor, promoted.

Second Lieut. Elisha C. Wattles, Cavalry, vice First Lieut. Henry C. Caron, promoted.

Second Lieut. Brooks Shumaker, Cavalry, vice First Lieut. William P. Powell, promoted.

Second Lieut. Parker G. Tenney, Cavalry, vice First Lieut. Robert F. Merkel, promoted.

Second Lieut. George P. Pattison, Cavalry, vice First Lieut. Carroll A. Powell, promoted.

Second Lieut. Mordaunt V. Turner, Cavalry, vice First Lieut. Frank C. De Laughton, promoted.

Second Lieut. Norman E. Waldron, Cavalry, vice First Lieut. Ivan N. Waldron, promoted.

Second Lieut. Herbert J. Burke, Cavalry, vice First Lieut. Carter R. McLennan, promoted.

Second Lieut. Leo L. Gocker, Cavalry, vice First Lieut. Frederick Gearing, promoted.

Second Lieut. Carleton Swasey, Cavalry, vice First Lieut. Geoffrey Galwey, promoted.

Second Lieut. John H. Ransdell, Cavalry, vice First Lieut. Louis G. Gibney, promoted.

Second Lieut. Edwin W. Godbold, Cavalry, vice First Lieut. William D. Adkins, promoted.

Second Lieut. Louis G. Forney, Cavalry, vice First Lieut. John B. Hartman, promoted.

Second Lieut. Hugh Brooks, Cavalry, vice First Lieut. Harry C. Jones, promoted.

Second Lieut. John G. White, Cavalry, vice First Lieut. James E. Simpson, promoted.

Second Lieut. Edwin W. Meise, Cavalry, vice First Lieut. Charles J. Booth, promoted.

Second Lieut. Raymond C. Gibbs, Cavalry, vice First Lieut. William T. Hamilton, promoted.

Second Lieut. Leo F. Crane, Cavalry, vice First Lieut. Richard C. Boyan, promoted.

Second Lieut. Harry C. Boden, Cavalry, vice First Lieut. Harry P. Shaw, promoted.

Second Lieut. Robert Driscoll, Cavalry, vice First Lieut. Frederick F. Duggan, promoted.

Second Lieut. Rohland A. Isker, Cavalry, vice First Lieut. Harry H. Baird, promoted.

Second Lieut. James M. Graham, jr., Cavalry, vice First Lieut. Francis H. Waters, promoted.

Second Lieut. Wallace G. Corwin, Cavalry, vice First Lieut. William T. Bauskett, jr., promoted.

Second Lieut. Robert R. Maxwell, Cavalry, vice First Lieut. Carlisle B. Cox, promoted.

Second Lieut. Peter D. Larson, Cavalry, vice First Lieut. Walter L. Bishop, promoted.

Second Lieut. Charles A. Horger, Cavalry, vice First Lieut. Donald R. McComas, promoted.

Second Lieut. Robert O. Wright, Cavalry, vice First Lieut. John W. Burke, promoted.

Second Lieut. Arthur D. Soper, Cavalry, vice First Lieut. William D. Savage, placed on the detached officers' list.

Second Lieut. Conrad G. Wall, Cavalry, vice First Lieut. Lloyd W. Biggs, placed on the detached officers' list.

Second Lieut. Andrew Wilson, jr., Cavalry, vice First Lieut. John A. Hettinger, placed on the detached officers' list.

Second Lieut. Roger L. Branham, Cavalry, vice First Lieut. Lathan H. Collins, placed on the detached officers' list.

Second Lieut. Harold A. Davis, Cavalry, vice First Lieut. Herbert E. Watkins, placed on the detached officers' list.

Second Lieut. Lloyd A. Houchin, Cavalry, vice First Lieut. Erskine A. Franklin, placed on the detached officers' list.

Second Lieut. Charlie E. Hart, Cavalry, vice First Lieut. James L. Franciscus, placed on the detached officers' list.

Second Lieut. Richard T. Lyons, Cavalry, vice First Lieut. Carter R. McLennan, placed on the detached officers' list.

Second Lieut. Hugh A. Barnhart, Cavalry, vice First Lieut. Maurice Morgan, placed on the detached officers' list.

Second Lieut. James W. Jenkins, Cavalry, vice First Lieut. Heywood S. Dodd, placed on the detached officers' list.

Second Lieut. George H. Howard, jr., Cavalry, vice First Lieut. Mortimer H. Christian, placed on the detached officers' list.

Second Lieut. Frank Wideman, Cavalry, vice First Lieut. Charles R. Johnson, jr., placed on the detached officers' list.

Second Lieut. Arthur C. Crunden, Cavalry, vice First Lieut. Charles S. Kilburn, placed on the detached officers' list.

Second Lieut. James Parker, Cavalry, vice First Lieut. Robert N. Kunz, placed on the detached officers' list.

Second Lieut. James T. Donald, Cavalry, vice First Lieut. Herbert N. Schwarzkopf, placed on the detached officers' list.

Second Lieut. Edward G. Knowles, Cavalry, vice First Lieut. Ernest N. Harmon, placed on the detached officers' list.

Second Lieut. Guy T. O. Hollyday, Cavalry, vice First Lieut. Josiah H. Morford, placed on the detached officers' list.

Second Lieut. Francis V. Terry, Cavalry, vice First Lieut. William K. Harrison, jr., placed on the detached officers' list.

Second Lieut. Tolman D. Wheeler, Cavalry, vice First Lieut. Nicholas W. Lisle, placed on the detached officers' list.

Second Lieut. Charles E. Dissinger, Cavalry, vice First Lieut. Herbert C. Holdridge, placed on the detached officers' list.

Second Lieut. Martin G. Charles, Cavalry, vice First Lieut. Walter H. Schulze, placed on the detached officers' list.

Second Lieut. Earl M. Abbott, Cavalry, vice First Lieut. Charles H. Gerhardt, placed on the detached officers' list.

Second Lieut. Harvey M. Breaks, Cavalry, vice First Lieut. Ray Harrison, placed on the detached officers' list.

Second Lieut. Williamson W. Simons, Cavalry, vice First Lieut. George Sawtelle, placed on the detached officers' list.

Second Lieut. Robert B. Kerr, Cavalry, vice First Lieut. Henry D. Jay, placed on the detached officers' list.

Second Lieut. Samuel V. H. Danzig, Cavalry, vice First Lieut. Lawrence C. Frizzell, placed on the detached officers' list.

Second Lieut. George F. Neilson, Cavalry, vice First Lieut. Delmore S. Wood, placed on the detached officers' list.

Second Lieut. Dean A. Jones, Cavalry, vice First Lieut. Sam G. Fuller, placed on the detached officers' list.

Second Lieut. Hugh F. Conrey, Cavalry, vice First Lieut. Ferris M. Angevine, placed on the detached officers' list.

Second Lieut. Callistus J. Ennis, Cavalry, vice First Lieut. Charles B. Duncan, placed on the detached officers' list.

Second Lieut. Venance Le May, Cavalry, vice First Lieut. Joseph M. Hurt, placed on the detached officers' list.

Second Lieut. Edward L. Morss, Cavalry, vice First Lieut. Frederick J. Holzbaur, placed on the detached officers' list.

Second Lieut. Paul C. Febiger, Cavalry, vice First Lieut. Edward S. Moale, placed on the detached officers' list.

Second Lieut. David N. Sutton, Cavalry, vice First Lieut. Wharton G. Ingram, placed on the detached officers' list.

Second Lieut. Alexander D. Mason, Cavalry, vice First Lieut. Randolph Dickins, placed on the detached officers' list.

Second Lieut. William E. Duke, Cavalry, vice First Lieut. Nelson M. Imboden, placed on the detached officers' list.

Second Lieut. Earle L. Hazard, Cavalry, vice First Lieut. Arthur C. D. Anderson, placed on the detached officers' list.

Second Lieut. Paul J. King, Cavalry, vice First Lieut. Otis Porter, placed on the detached officers' list.

Second Lieut. Harry E. Pendleton, Cavalry, vice First Lieut. George L. Morrison, placed on the detached officers' list.

Second Lieut. Thomas McP. Glasgow, Cavalry, vice First Lieut. Athael B. Ellis, placed on the detached officers' list.

Second Lieut. John McLean, Cavalry, vice First Lieut. William T. Haldeman, placed on the detached officers' list.

Second Lieut. Fred T. Cunningham, Cavalry, vice First Lieut. John T. Minton, placed on the detached officers' list.

Second Lieut. Benton F. Munday, Cavalry, vice First Lieut. Edmund M. Barnum, placed on the detached officers' list.

Second Lieut. Gyles Merrill, Cavalry, vice First Lieut. Arthur E. Pickard, placed on the detached officers' list.

Second Lieut. William C. Bowie, Cavalry, vice First Lieut. Meade Frierson, jr., placed on the detached officers' list.

Second Lieut. Wilfred E. Willis, Cavalry, vice First Lieut. Thomas S. Poole, placed on the detached officers' list.

Second Lieut. John B. Seaton, Cavalry, vice First Lieut. Donald S. Perry, placed on the detached officers' list.

Second Lieut. Thomas B. Sweeney, Cavalry, vice First Lieut. Frank L. Whittaker, placed on the detached officers' list.

Second Lieut. Richard S. Miesse, Cavalry, vice First Lieut. Cornelius M. Daly, placed on the detached officers' list.

Second Lieut. James M. Adamson, jr., Cavalry, vice First Lieut. Henry H. Anderson, placed on the detached officers' list.

Second Lieut. Charles E. Sheldrake, Cavalry, vice First Lieut. John T. Pierce, placed on the detached officers' list.

Second Lieut. Kenneth M. Harris, Cavalry, vice First Lieut. Harold C. Fellows, placed on the detached officers' list.

Second Lieut. Max H. Nippel, Cavalry, vice First Lieut. Cyrus J. Wilder, placed on the detached officers' list.

Second Lieut. Charles M. Stewart, 3d, Cavalry, vice First Lieut. Wilson T. Bals, placed on detached officers' list.

Second Lieut. Philip S. Weadock, Cavalry, vice First Lieut. Samuel V. Constant, placed on the detached officers' list.

Second Lieut. Stewart F. Miller, Cavalry, vice First Lieut. Oron A. Palmer, placed on the detached officers' list.

Second Lieut. Joe C. Rogers, Cavalry, vice First Lieut. Gordon J. F. Heron, placed on the detached officers' list.

Second Lieut. Frank A. Allen, jr., Cavalry, vice First Lieut. John M. Jenkins, jr., placed on the detached officers' list.

Second Lieut. Matthew Griswold, 3d, Cavalry, vice First Lieut. Hall S. Cook, placed on the detached officers' list.

Second Lieut. Guy O. Kurtz, Cavalry, vice First Lieut. Charles W. Jacobson, promoted.

Second Lieut. Louis J. Compton, Cavalry, vice First Lieut. Edgar R. Garlick, promoted.

Second Lieut. Frederick Sanborn, Cavalry, vice First Lieut. Henry P. Ames, promoted.

Second Lieut. Clarence A. Lefferts, Cavalry, vice First Lieut. Richard F. Leahy, promoted.

Second Lieut. Nables F. Ryan, Cavalry, vice First Lieut. Howard C. Okie, promoted.

Second Lieut. George W. Barber, Cavalry, vice First Lieut. William L. Gibson, promoted.

Second Lieut. Francis M. Weld, Cavalry, vice First Lieut. James L. Franciscus, promoted.

Second Lieut. Read Wiprecht, Cavalry, vice First Lieut. Eddie J. Lee, promoted.

Second Lieut. Claire M. Daugherty, Cavalry, vice First Lieut. Elmer P. Gosnell, promoted.

*To be first lieutenants with rank from November 3, 1917.*

Second Lieut. Ceylon O. Griffin, Cavalry, vice First Lieut. Raymond D. Adolph, promoted.

Second Lieut. Edward E. Hamilton, Cavalry, vice First Lieut. Donald A. Stroh, promoted.

Second Lieut. Erle F. Cress, Cavalry, vice First Lieut. Russell T. George, promoted.

*To be first lieutenants with rank from November 5, 1917.*

Second Lieut. Dimetrio P. Harkins, Cavalry, vice First Lieut. Thomas C. McCormick, promoted.

Second Lieut. Harold G. Hathaway, Cavalry, vice First Lieut. Erskine A. Franklin, promoted.

Second Lieut. Bruce M. McDill, Cavalry, vice First Lieut. Wallace H. Gillett, promoted.

Second Lieut. Loren F. Parmley, Cavalry, vice First Lieut. Robert D. Thompson, jr., promoted.

Second Lieut. Edward Herendeen, Cavalry, vice First Lieut. John E. Maher, promoted.

Second Lieut. Floyd M. Friar, Cavalry, vice First Lieut. John E. Selby, promoted.

Second Lieut. John A. Anheier, Cavalry, vice First Lieut. Arthur L. Marek, promoted.

Second Lieut. Grayson H. Bowers, Cavalry, vice First Lieut. Herbert E. Watkins, promoted.

Second Lieut. Thomas W. Herren, Cavalry, vice First Lieut. Raymond L. Newton, promoted.

Second Lieut. Alfred R. Teter, Cavalry, vice First Lieut. William R. Irvin, promoted.

Second Lieut. Harry G. Clarke, Cavalry, vice First Lieut. Alfred L. Baylies, promoted.

Second Lieut. Alden H. Seabury, Cavalry, vice First Lieut. Lathan H. Collins, promoted.

Second Lieut. Fred W. Koester, Cavalry, vice First Lieut. Ralph B. Skinner, promoted.

*To be first lieutenant with rank from November 6, 1917.*

Second Lieut. Clarence A. Shannon, Cavalry, vice First Lieut. Candler A. Wilkinson, promoted.

*To be first lieutenant with rank from November 13, 1917.*

Second Lieut. Alexander B. MacNabb, Cavalry, vice First Lieut. Milton A. Lowenberg, promoted.

*To be first lieutenant with rank from November 17, 1917.*

Second Lieut. Charles C. McCall, Cavalry, vice First Lieut. John A. Hettinger, promoted.

*To be first lieutenants with rank from November 23, 1917.*

Second Lieut. William N. Todd, jr., Cavalry, vice First Lieut. George A. Goodyear, promoted.

Second Lieut. Walton W. Cox, Cavalry, vice First Lieut. Paul H. Morris, promoted.

*To be first lieutenant with rank from November 28, 1917.*

Second Lieut. Dudley Miller, Cavalry, vice First Lieut. Francis E. S. Turner, promoted.

*To be first lieutenant with rank from November 29, 1917.*

Second Lieut. John K. Egan, Cavalry, vice First Lieut. Guy D. Thompson, promoted.

*To be first lieutenant with rank from December 11, 1917.*

Second Lieut. Thomas R. Taber, Cavalry, vice First Lieut. George A. Parson, promoted.

*To be first lieutenant with rank from December 22, 1917.*

Second Lieut. Earl W. Henderson, Cavalry, vice First Lieut. David W. Barton, promoted.

*To be first lieutenant with rank from December 28, 1917.*

Second Lieut. Ross E. Larsen, Cavalry, vice First Lieut. Martin R. Rice, promoted.

*To be first lieutenants with rank from December 29, 1917.*

Second Lieut. Charles W. Burton, Cavalry, vice First Lieut. Philip C. Clayton, promoted.

Second Lieut. Harry D. Bishop, Cavalry, vice First Lieut. Hans E. Kloefer, promoted.

Second Lieut. John S. McCloy, Cavalry, vice First Lieut. Edward A. Everett, jr., promoted.

*To be first lieutenant with rank from January 16, 1918.*

Second Lieut. Samuel G. Mitchell, Cavalry, vice First Lieut. Herbert A. Myers, promoted.

#### COAST ARTILLERY CORPS.

*To be first lieutenants with rank from October 26, 1917, to fill existing vacancies.*

Second Lieut. Robert K. Gooch, Coast Artillery Corps.

Second Lieut. Oliver N. Hollis, Coast Artillery Corps.

Second Lieut. Cranston B. Rader, Coast Artillery Corps.

Second Lieut. Cedric E. Scheerer, Coast Artillery Corps.

Second Lieut. Geoffrey Marshall, Coast Artillery Corps.

Second Lieut. Lloyd W. Taylor, Coast Artillery Corps.

Second Lieut. Guy H. Hearon, Coast Artillery Corps.

Second Lieut. Francis E. Harrison, jr., Coast Artillery Corps.

Second Lieut. James W. Hopkins, Coast Artillery Corps.

Second Lieut. Ralph E. Billsborrow, Coast Artillery Corps.

Second Lieut. Alfred W. Chapman, Coast Artillery Corps.

Second Lieut. William A. Emerson, Coast Artillery Corps.

Second Lieut. Lawrence J. Meyns, Coast Artillery Corps.

Second Lieut. James C. Vickery, Coast Artillery Corps.

Second Lieut. Clarence E. Muehlberg, Coast Artillery Corps.

Second Lieut. Edwin C. Higbee, Coast Artillery Corps.

Second Lieut. William T. Andrews, Coast Artillery Corps.

Second Lieut. Stoddard P. Johnston, Coast Artillery Corps.

Second Lieut. Lewis A. Hudgins, Coast Artillery Corps.

Second Lieut. Levi M. Bricker, Coast Artillery Corps.

Second Lieut. Thomas P. Ahern, Coast Artillery Corps.

Second Lieut. Lawrence Iverson, Coast Artillery Corps.

Second Lieut. Herbert Macmillan, Coast Artillery Corps.

Second Lieut. John P. MacNeill, Coast Artillery Corps.

Second Lieut. Archibald L. Parmelee, Coast Artillery Corps.

Second Lieut. Robert E. Ryerson, Coast Artillery Corps.

Second Lieut. Sam H. Coile, Coast Artillery Corps.

Second Lieut. Junius B. Peake, Coast Artillery Corps.  
 Second Lieut. Sam W. Anderson, Coast Artillery Corps.  
 Second Lieut. Richard B. Cross, Coast Artillery Corps.  
 Second Lieut. Geoffrey A. Ogilvie, Coast Artillery Corps.  
 Second Lieut. John S. Cansler, Coast Artillery Corps.  
 Second Lieut. George M. Holstein, jr., Coast Artillery Corps.  
 Second Lieut. Joseph G. Cole, Coast Artillery Corps.  
 Second Lieut. Ward Rubendall, Coast Artillery Corps.  
 Second Lieut. Clyde LeG. Walker, Coast Artillery Corps.  
 Second Lieut. Richard B. Gayle, Coast Artillery Corps.  
 Second Lieut. Stillman B. Hyde, Coast Artillery Corps.  
 Second Lieut. Winston W. Little, Coast Artillery Corps.  
 Second Lieut. Ralph P. Wagner, Coast Artillery Corps.  
 Second Lieut. John A. Spanogle, Coast Artillery Corps.  
 Second Lieut. Henry M. Atkinson, jr., Coast Artillery Corps.  
 Second Lieut. Charles S. Harris, Coast Artillery Corps.  
 Second Lieut. Paul W. Rutledge, Coast Artillery Corps.  
 Second Lieut. Alvin C. Smith, Coast Artillery Corps.  
 Second Lieut. James C. Corless, Coast Artillery Corps.  
 Second Lieut. Robert T. Chaplin, Coast Artillery Corps.  
 Second Lieut. Chester B. McCoid, Coast Artillery Corps.  
 Second Lieut. Hugh G. Lieber, Coast Artillery Corps.  
 Second Lieut. Earle W. Marvin, Coast Artillery Corps.  
 Second Lieut. Robert G. Rhett, jr., Coast Artillery Corps.  
 Second Lieut. James K. Morris, Coast Artillery Corps.  
 Second Lieut. Charles E. Bates, Coast Artillery Corps.  
 Second Lieut. Marshall L. Gosserand, Coast Artillery Corps.  
 Second Lieut. Winthrop M. Allen, Coast Artillery Corps.  
 Second Lieut. Maxwell R. McMillan, Coast Artillery Corps.  
 Second Lieut. St. John Waddell, jr., Coast Artillery Corps.  
 Second Lieut. Cary B. Easley, Coast Artillery Corps.  
 Second Lieut. Nicholas B. O'Connell, Coast Artillery Corps.  
 Second Lieut. Junius T. Moore, Coast Artillery Corps.  
 Second Lieut. Oscar D. McNeely, Coast Artillery Corps.  
 Second Lieut. Abraham R. Ginsburg, Coast Artillery Corps.  
 Second Lieut. Vincent K. Smith, Coast Artillery Corps.  
 Second Lieut. Charles L. Ordeman, Coast Artillery Corps.  
 Second Lieut. Ramon Conroy, Coast Artillery Corps.  
 Second Lieut. Thomas J. Betts, Coast Artillery Corps.  
 Second Lieut. David O. Haynes, jr., Coast Artillery Corps.  
 Second Lieut. Edwin J. Patton, Coast Artillery Corps.  
 Second Lieut. Morris C. Handwerk, Coast Artillery Corps.  
 Second Lieut. Herbert B. Knox, jr., Coast Artillery Corps.  
 Second Lieut. Charles Cobb, 3d, Coast Artillery Corps.  
 Second Lieut. Benjamin F. Harmon, Coast Artillery Corps.  
 Second Lieut. Ralph A. Densmore, Coast Artillery Corps.  
 Second Lieut. Charles C. Bell, jr., Coast Artillery Corps.  
 Second Lieut. Charles W. Lawrence, Coast Artillery Corps.  
 Second Lieut. Edgar C. Outten, Coast Artillery Corps.  
 Second Lieut. David W. Burgoon, Coast Artillery Corps.  
 Second Lieut. Raymond B. Bottom, Coast Artillery Corps.  
 Second Lieut. Farrant L. Turner, Coast Artillery Corps.  
 Second Lieut. Henry T. Morrison, Coast Artillery Corps.  
 Second Lieut. Lee D. Pettingill, Coast Artillery Corps.  
 Second Lieut. Malcolm H. Ross, Coast Artillery Corps.  
 Second Lieut. Leonard R. Crews, Coast Artillery Corps.  
 Second Lieut. Harold M. Jobes, Coast Artillery Corps.  
 Second Lieut. Thomas J. Delaney, Coast Artillery Corps.  
 Second Lieut. William F. Cassidy, jr., Coast Artillery Corps.  
 Second Lieut. John W. Loveland, jr., Coast Artillery Corps.  
 Second Lieut. Scott Hayes, Coast Artillery Corps.  
 Second Lieut. Webster H. Warren, Coast Artillery Corps.  
 Second Lieut. Callan E. England, Coast Artillery Corps.  
 Second Lieut. Evan H. Benoy, Coast Artillery Corps.  
 Second Lieut. John B. Bethea, jr., Coast Artillery Corps.  
 Second Lieut. Charles W. Higgins, Coast Artillery Corps.  
 Second Lieut. Hugh N. Herrick, Coast Artillery Corps.  
 Second Lieut. Harry Lee Campbell, Coast Artillery Corps.  
 Second Lieut. Milton L. Dodge, Coast Artillery Corps.  
 Second Lieut. Robert Mochrie, Coast Artillery Corps.  
 Second Lieut. Albert B. Ede, Coast Artillery Corps.  
 Second Lieut. Donald W. Tyrrell, Coast Artillery Corps.  
 Second Lieut. Everett M. Barton, Coast Artillery Corps.  
 Second Lieut. Warren S. Robinson, Coast Artillery Corps.  
 Second Lieut. William W. Wertz, Coast Artillery Corps.  
 Second Lieut. Evans R. Crowell, Coast Artillery Corps.  
 Second Lieut. Simon L. Bear, Coast Artillery Corps.  
 Second Lieut. Laurence W. Hutchinson, Coast Artillery Corps.  
 Second Lieut. Gilbert H. Gaus, Coast Artillery Corps.  
 Second Lieut. James C. Bates, Coast Artillery Corps.  
 Second Lieut. Thomas E. Troland, Coast Artillery Corps.  
 Second Lieut. William A. West, jr., Coast Artillery Corps.  
 Second Lieut. Louis H. Thompson, Coast Artillery Corps.  
 Second Lieut. Albert Bonds, Coast Artillery Corps.  
 Second Lieut. Thomas W. Conrad, Coast Artillery Corps.

Second Lieut. Frederick W. Hoorn, Coast Artillery Corps.  
 Second Lieut. Charles C. Stalter, Coast Artillery Corps.  
 Second Lieut. Joseph C. Stephens, Coast Artillery Corps.  
 Second Lieut. Eugene R. Guild, Coast Artillery Corps.  
 Second Lieut. Thomas R. Lannon, Coast Artillery Corps.  
 Second Lieut. Leslie W. Jefferson, Coast Artillery Corps.  
 Second Lieut. Luther O. Leach, Coast Artillery Corps.  
 Second Lieut. James D. Jones, Coast Artillery Corps.  
 Second Lieut. Guy W. Thomas, Coast Artillery Corps.  
 Second Lieut. James L. McMullen, Coast Artillery Corps.  
 Second Lieut. Charles R. Walker, jr., Coast Artillery Corps.  
 Second Lieut. Harold L. Williamson, Coast Artillery Corps.  
 Second Lieut. Isaac Wynne, jr., Coast Artillery Corps.  
 Second Lieut. Temple H. Buell, Coast Artillery Corps.  
 Second Lieut. Julien R. Hume, Coast Artillery Corps.  
 Second Lieut. John R. Embich, Coast Artillery Corps.  
 Second Lieut. Ernest W. Soucy, Coast Artillery Corps.  
 Second Lieut. Donald B. Hilton, Coast Artillery Corps.  
 Second Lieut. Ralph E. Hill, Coast Artillery Corps.  
 Second Lieut. Francis L. Christian, Coast Artillery Corps.  
 Second Lieut. Maitland Bottoms, Coast Artillery Corps.  
 Second Lieut. William R. Epes, Coast Artillery Corps.  
 Second Lieut. Irvin H. Zeliff, Coast Artillery Corps.  
 Second Lieut. Charles H. Stewart, Coast Artillery Corps.  
 Second Lieut. John Flaccan, Coast Artillery Corps.  
 Second Lieut. Edward N. Horr, Coast Artillery Corps.  
 Second Lieut. Joseph E. Simmons, Coast Artillery Corps.  
 Second Lieut. Lucius T. Hill, Coast Artillery Corps.  
 Second Lieut. Hal F. Corry, Coast Artillery Corps.  
 Second Lieut. Martin A. Hayes, Coast Artillery Corps.  
 Second Lieut. Edward R. Holland, jr., Coast Artillery Corps.  
 Second Lieut. John W. Russey, Coast Artillery Corps.  
 Second Lieut. James D. McIntyre, Coast Artillery Corps.  
 Second Lieut. Harry W. Lins, Coast Artillery Corps.  
 Second Lieut. Bryan L. Milburn, Coast Artillery Corps.  
 Second Lieut. Alexander B. Carrington, jr., Coast Artillery Corps.  
 Second Lieut. Frederick H. Bachman, Coast Artillery Corps.  
 Second Lieut. Bradley J. Saunders, jr., Coast Artillery Corps.  
 Second Lieut. Herbert C. Bartlett, Coast Artillery Corps.  
 Second Lieut. Nyal L. Adams, Coast Artillery Corps.

*To be first lieutenant with rank from November 17, 1917.*

Second Lieut. William B. Cooley, Coast Artillery Corps.

*To be first lieutenant with rank from November 29, 1917.*

Second Lieut. Lloyd G. Sparks, Coast Artillery Corps.

*To be first lieutenant with rank from December 4, 1917.*

Second Lieut. Arthur F. Aston, Coast Artillery Corps.

*To be first lieutenants with rank from December 8, 1917.*

Second Lieut. Charles M. Dale, Coast Artillery Corps.

Second Lieut. Stanford Rayne, Coast Artillery Corps.

*To be first lieutenants with rank from December 20, 1917.*

Second Lieut. Harry M. Carder, jr., Coast Artillery Corps.

Second Lieut. William A. Clark, jr., Coast Artillery Corps.

*To be first lieutenant with rank from December 25, 1917.*

Second Lieut. William W. Dinsmore, Coast Artillery Corps.

*To be first lieutenants with rank from December 26, 1917.*

Second Lieut. Arthur Duffy, Coast Artillery Corps.

Second Lieut. Ellsworth Young, Coast Artillery Corps.

*To be first lieutenants with rank from December 29, 1917.*

Second Lieut. John W. Fuchs, Coast Artillery Corps.

Second Lieut. Thomas R. Bartlett, Coast Artillery Corps.

Second Lieut. Dudley F. Taylor, Coast Artillery Corps.

Second Lieut. James L. D. Corey, Coast Artillery Corps.

Second Lieut. Andrew J. Bentley, Coast Artillery Corps.

Second Lieut. Frank H. Pritchard, Coast Artillery Corps.

Second Lieut. Clyde M. Watson, Coast Artillery Corps.

Second Lieut. Stanley H. Franklin, Coast Artillery Corps.

#### INFANTRY ARM.

*To be captains with rank from August 5, 1917.*

First Lieut. Willis E. Comfort.

First Lieut. Leven C. Allen.

First Lieut. Joseph Quesenberry.

First Lieut. Robert O. Jones.

First Lieut. Oliver A. Hess.

First Lieut. Edward A. Allen.

First Lieut. Carroll M. DeWitt.

First Lieut. George L. Pepin.

First Lieut. Clarence B. Carver.

First Lieut. Jeddiah H. Hills.

First Lieut. Edwin E. Schwien.

First Lieut. Dan D. Howe.  
 First Lieut. John E. Copeland.  
 First Lieut. Lloyd N. Keesling.  
 First Lieut. John H. Humbert.  
 First Lieut. Joseph L. Lancaster.  
 First Lieut. David R. Kerr.  
 First Lieut. Everett G. Smith.  
 First Lieut. Lyman S. Frasier.  
 First Lieut. Howard E. Hawkinson.  
 First Lieut. Julius A. Mood, jr.  
 First Lieut. Sidney S. Eberle.  
 First Lieut. Joseph N. Dalton.  
 First Lieut. Charles N. Stevens.  
 First Lieut. James S. Bailey.  
 First Lieut. Henry C. Long, jr.  
 First Lieut. William E. Lucas, jr.  
 First Lieut. Victor Parks.  
 First Lieut. Walter A. Pashkoski.  
 First Lieut. Roscius H. Back.  
 First Lieut. Oscar F. Carlson.  
 First Lieut. Richard G. Tindall.  
 First Lieut. Roy L. Taylor.  
 First Lieut. Leander R. Hathaway.  
 First Lieut. German W. Lester.  
 First Lieut. Karl Engeldinger.  
 First Lieut. Francis A. Byrne.  
 First Lieut. Harry J. Selby.  
 First Lieut. Farragut F. Hall.  
 First Lieut. Orville M. Moore.  
 First Lieut. Walter R. McClure.  
 First Lieut. Charles E. Speer.  
 First Lieut. Baldwin Williams-Foote.  
 First Lieut. Edmund Wilhelm.  
 First Lieut. George H. Butler.  
 First Lieut. Frank C. Foley.  
 First Lieut. Leonard R. Boyd.  
 First Lieut. Withers A. Burress.  
 First Lieut. Arthur J. Hoffmann.  
 First Lieut. Harry L. Bennett, jr.  
 First Lieut. Joseph J. McConville.  
 First Lieut. John C. Platt, jr.  
 First Lieut. Thomas H. Ward.  
 First Lieut. Edward H. Nichols.  
 First Lieut. Lawrence B. Glasgow.  
 First Lieut. Alfred D. Hayden.  
 First Lieut. Melville W. F. Wallace.  
 First Lieut. Paul M. Ellis.  
 First Lieut. Kirk A. Metzercott.  
 First Lieut. Thomas E. Mount.  
 First Lieut. John P. Pryor.  
 First Lieut. Jewett C. Baker.  
 First Lieut. Robert B. Moore.  
 First Lieut. Charles W. Jones.  
 First Lieut. Edward H. Cotcher.  
 First Lieut. Robert S. Miller.  
 First Lieut. Paul N. Starlings.  
 First Lieut. Charles Porterfield, jr.  
 First Lieut. Sevier R. Tupper.  
 First Lieut. Frank E. Royce.  
 First Lieut. Lawrence F. Stone.  
 First Lieut. Aaron J. Becker.  
 First Lieut. Wilson M. Spann.  
 First Lieut. James V. Ware.  
 First Lieut. Robert W. Brown.  
 First Lieut. James R. Manning.  
 First Lieut. Charles L. Steel.  
 First Lieut. Stuart R. Carswell.  
 First Lieut. Gilbert S. Harter.  
 First Lieut. John W. Cotton.  
 First Lieut. Ralph E. Wallace.  
 First Lieut. Lawrence W. Fagg.  
 First Lieut. Maury Mann.  
 First Lieut. Rupert L. Purdon.  
 First Lieut. Richard S. Jones.  
 First Lieut. William C. Hanna.  
 First Lieut. Leon C. Harer.  
 First Lieut. Edwin M. Scott.  
 First Lieut. Paul J. Dowling.  
 First Lieut. John H. Jones.  
 First Lieut. Rufus E. Wicker.  
 First Lieut. Charles L. Briscoe.  
 First Lieut. Hermann C. Dempewolf.  
 First Lieut. Frank E. Hinton.  
 First Lieut. Frank P. Tuohy.  
 First Lieut. John R. Hermann.

First Lieut. Louis T. Roberts.  
 First Lieut. James M. Palmer.  
 First Lieut. Ralph A. W. Pearson.  
 First Lieut. Alfred Millard.  
 First Lieut. Harry H. Ambs.  
 First Lieut. William H. Bittenbender.  
 First Lieut. Raymond H. Bishop.  
 First Lieut. James A. Summersett, jr.  
 First Lieut. Hugh C. Gilchrist.  
 First Lieut. Allen T. Veatch.  
 First Lieut. Sigurd J. Simonsen.  
 First Lieut. Thomas G. Bond.  
 First Lieut. John E. Haywood.  
 First Lieut. Willis H. Hale.  
 First Lieut. Noe C. Killian.  
 First Lieut. Lindsay P. Johns.  
 First Lieut. Walter R. Mann.  
 First Lieut. Henry W. Lee.  
 First Lieut. Charles A. Shamotulski.  
 First Lieut. Sidney F. Mashbir.  
 First Lieut. William P. Scobey.  
 First Lieut. William C. Moore.  
 First Lieut. Albion Smith.  
 First Lieut. Le Roy Lutes.  
 First Lieut. Edwin D. Patrick.  
 First Lieut. Herman F. Kramer.  
 First Lieut. Clarence P. Evers.  
 First Lieut. William H. Coacher.  
 First Lieut. Edward S. Johnston.  
 First Lieut. John T. Henderson.  
 First Lieut. Ray P. Harrison.  
 First Lieut. Daniel M. Cheston, jr.  
 First Lieut. Kirke B. Everson.  
 First Lieut. John C. Daly.  
 First Lieut. Paul E. Peabody.  
 First Lieut. Albert F. Christensen.  
 First Lieut. William S. Maxwell.  
 First Lieut. Ernest H. Burt.  
 First Lieut. Frederick R. Baker.  
 First Lieut. James D. Basey.  
 First Lieut. Ray M. O'Day.  
 First Lieut. Alan Pendleton.  
 First Lieut. Merritt E. Olmstead.  
 First Lieut. Benjamin F. Caffey, jr.  
 First Lieut. Hadyn P. Mayers.  
 First Lieut. Rogers M. Wilson.  
 First Lieut. Henry E. Mosher.  
 First Lieut. Albin K. Kupfer.  
 First Lieut. Augustine J. Zerbee.  
 First Lieut. Frank A. Helleman.  
 First Lieut. Arthur B. Hutchinson.  
 First Lieut. Lauritz D. Simonson.  
 First Lieut. Carl R. Perkins.  
 First Lieut. Franklin W. Cheney.  
 First Lieut. George F. Wellage.  
 First Lieut. Alfred F. Biles, jr.  
 First Lieut. Charles T. Hearin.  
 First Lieut. Hugh M. Davis.  
 First Lieut. John F. Fredin, jr.  
 First Lieut. James B. Wise, jr.  
 First Lieut. Harry L. Kimmel.  
 First Lieut. Clarence M. Culp.  
 First Lieut. Robert D. Horton.  
 First Lieut. Charles B. Kehoe.  
 First Lieut. Philip S. Wood.  
 First Lieut. Harvey C. Kearney.  
 First Lieut. Arthur P. Jervey.  
 First Lieut. Starr S. Eaton.  
 First Lieut. Oliver F. Holden.  
 First Lieut. Thomas L. Lamoreux.  
 First Lieut. Daniel N. Murphy.  
 First Lieut. Adlai C. Young.  
 First Lieut. Alexander N. Stark, jr.  
 First Lieut. Clinton I. McClure.  
 First Lieut. Roy C. L. Graham.  
 First Lieut. Lloyd B. Russell.  
 First Lieut. George R. Barker.  
 First Lieut. John E. Gough.  
 First Lieut. Leonard A. Smith.  
 First Lieut. John W. Thompson.  
 First Lieut. Philip Overstreet.  
 First Lieut. Lara P. Good.  
 First Lieut. George A. McDonald.  
 First Lieut. George M. Wright, jr.  
 First Lieut. Archie A. Farmer.

First Lieut. John T. Fisher.  
 First Lieut. Edwin E. Elliott.  
 First Lieut. Charles S. Ferrin.  
 First Lieut. George W. Titus.  
 First Lieut. John C. Adams.  
 First Lieut. Robert G. Ervin.  
 First Lieut. Edward L. McKee, jr.  
 First Lieut. Robert W. Nix, jr.  
 First Lieut. Francis E. Dougherty.  
 First Lieut. Lyman L. Parks.  
 First Lieut. John T. Murray.  
 First Lieut. Warfield M. Lewis.  
 First Lieut. Joseph L. Collins.  
 First Lieut. James O. Green, jr.  
 First Lieut. Daves Russell.  
 First Lieut. Harold M. White.  
 First Lieut. Lincoln F. Daniels.  
 First Lieut. Frederick A. Irving.  
 First Lieut. Matthew B. Ridgway.  
 First Lieut. Richard M. Wightman.  
 First Lieut. Charles W. Yuill.  
 First Lieut. William W. Eagles.  
 First Lieut. Francis A. Markoe.  
 First Lieut. John J. McEwan.  
 First Lieut. John A. Stewart.  
 First Lieut. George W. Sackett.  
 First Lieut. Francis G. Bonham.  
 First Lieut. Norman D. Cota.  
 First Lieut. Robert B. Ransom.  
 First Lieut. Carleton Coulter, jr.  
 First Lieut. James H. Frier, jr.  
 First Lieut. Leo J. Erler.  
 First Lieut. Robert D. Newton.  
 First Lieut. Willis R. Slaughter.  
 First Lieut. George H. Weems.  
 First Lieut. Roy L. Bowlin.  
 First Lieut. William C. McMahon.  
 First Lieut. Francis M. Brennan.  
 First Lieut. Milton B. Halsey.  
 First Lieut. Charles L. Mullins, jr.  
 First Lieut. Thomas S. Sinkler, jr.  
 First Lieut. George F. Wooley, jr.  
 First Lieut. Sterling A. Wood, jr.  
 First Lieut. William F. Redfield.  
 First Lieut. Mark W. Clark.  
 First Lieut. Stewart W. Hoover.  
 First Lieut. David S. Rumbough.  
 First Lieut. Francis J. Heraty.  
 First Lieut. Donovan Swanton.  
 First Lieut. Francis A. Macon, jr.  
 First Lieut. Laurence B. Keiser.  
 First Lieut. Homer C. Brown.  
 First Lieut. Clare H. Armstrong.  
 First Lieut. Harris M. Melasky.  
 First Lieut. Sidney H. Young.  
 First Lieut. John C. Whitcomb.  
 First Lieut. Wallace J. Redner.  
 First Lieut. Charles D. Lewis.  
 First Lieut. Edward W. Leonard.  
 First Lieut. Paul H. Brown.  
 First Lieut. William S. Eley.  
 First Lieut. Paul W. York.  
 First Lieut. Ferdinand G. von Kummer, jr.  
 First Lieut. Joseph P. Sullivan.  
 First Lieut. Henry H. Chapman.  
 First Lieut. Asa P. Pope.  
 First Lieut. Edwin H. Clark.  
 First Lieut. Lewis Perrine.  
 First Lieut. Clarke K. Fales.  
 First Lieut. John A. Weishample.  
 First Lieut. Malcolm B. Helm.  
 First Lieut. Madison Pearson.  
 First Lieut. John M. Boon.  
 First Lieut. Roger Hilsman.  
 First Lieut. Holmes E. Dager.  
 First Lieut. James E. Allison.  
 First Lieut. Harry E. Fischer.  
 First Lieut. Thomas L. Alexander.  
 First Lieut. Charles E. Ravens.  
 First Lieut. Charles H. Jones.  
 First Lieut. Roger Williams, jr.  
 First Lieut. Harry D. Hildebrand.  
 First Lieut. William Hones, jr.  
 First Lieut. John J. Bethurum.  
 First Lieut. John L. Cootey.

First Lieut. Albert C. Anderson.  
 First Lieut. William H. Joiner.  
 First Lieut. Hugh P. Schiveley.  
 First Lieut. John D. Joanidy.  
 First Lieut. Gilmer M. Bell.  
 First Lieut. Manley Lawton.  
 First Lieut. Roy Sloan.  
 First Lieut. Bryce F. Martin.  
 First Lieut. Harold C. Hoopes.  
 First Lieut. Henley Schick.  
 First Lieut. Glenn D. Hafford.  
 First Lieut. Paul R. Hudson.  
 First Lieut. William R. Dwyer.  
 First Lieut. Hanon F. Combs.  
 First Lieut. William E. Fentress.  
 First Lieut. Ralph Hall.  
 First Lieut. Mahlon G. Frost.  
 First Lieut. Benjamin H. Hensley.  
 First Lieut. Hawthorne C. Gray.  
 First Lieut. Donald J. Neumüller.  
 First Lieut. Orland S. O'Neal.  
 First Lieut. Otto Kramer.  
 First Lieut. George D. Ramsey.  
 First Lieut. Jerome Pickett.  
 First Lieut. Lebbens M. Cornish.  
 First Lieut. Leon F. Stevens.  
 First Lieut. William S. Rumbough.  
 First Lieut. George A. Murray.  
 First Lieut. Joseph E. Young.  
 First Lieut. Henry T. J. Weishaar.  
 First Lieut. Cyrus A. Hay.  
 First Lieut. Benjamin J. Holt, jr.  
 First Lieut. Newton D. Hathaway.  
 First Lieut. Byron W. Fuller.  
 First Lieut. John E. Stulken.  
 First Lieut. Herman H. Meyer.  
 First Lieut. Carleton More.  
 First Lieut. Edward P. Sheppard.  
 First Lieut. Henry J. Matchett.  
 First Lieut. John H. Strickland.  
 First Lieut. Vincent S. Burton.  
 First Lieut. Griffith Wight.  
 First Lieut. Curtis P. Miller.  
 First Lieut. William Ernst.  
 First Lieut. John W. Bulger.  
 First Lieut. Roy W. Vocge.  
 First Lieut. Taylor M. Uhler.  
 First Lieut. Roy G. Gordon.  
 First Lieut. Vernon L. Burge.  
 First Lieut. Simon Fostiak.  
 First Lieut. Edwin L. Dittmar.  
 First Lieut. Crosby N. Elliott.  
 First Lieut. Ernest R. Marvel.  
 First Lieut. Frank M. Child.  
 First Lieut. Raymond L. Price.  
 First Lieut. Frederic M. Lee.  
 First Lieut. Hurley E. Fuller.  
 First Lieut. Larry McHale.  
 First Lieut. Arthur M. O'Connor.  
 First Lieut. John P. Horan.  
 First Lieut. James H. S. Wells.  
 First Lieut. Augustus B. O'Connell.  
 First Lieut. Charles C. Fitzhugh.  
 First Lieut. Thomas L. McMurray.  
 First Lieut. Hiram G. Fry.  
 First Lieut. Paul E. Jackson.  
 First Lieut. Richard W. Cooksey.  
 First Lieut. Homer S. Youngs.  
 First Lieut. Edwin W. Grimmer.  
 First Lieut. William H. Clark.  
 First Lieut. Frank E. Haskell.  
 First Lieut. Lloyd D. Brown.  
 First Lieut. Roy C. Hilton.  
 First Lieut. Raymond E. O'Neill.  
 First Lieut. Justin S. Hemenway.  
 First Lieut. William A. Shely.  
 First Lieut. Corwin C. Smith.  
 First Lieut. John U. Ayotte.  
 First Lieut. Charles H. Barnwell, jr.  
 First Lieut. Henry A. Schwarz.  
 First Lieut. Edward G. Herlihy.  
 First Lieut. Arnold J. Funk.  
 First Lieut. George M. Ferris.  
 First Lieut. Edwin L. MacLean.  
 First Lieut. Norman Minus.

First Lieut. Ernest N. Stanton.  
 First Lieut. Thomas G. O'Malley.  
 First Lieut. Newell R. Fiske.  
 First Lieut. Philip B. Harrigan.  
 First Lieut. John D. Hill.  
 First Lieut. Frank W. Gano.  
 First Lieut. John L. Pierce.  
 First Lieut. Donald K. Mason.  
 First Lieut. John J. Atkinson.  
 First Lieut. Lowell W. Rooks.  
 First Lieut. Claude J. Hayden.  
 First Lieut. Samuel D. Bedinger.  
 First Lieut. Alpheus E. W. Harrison.  
 First Lieut. Malcolm V. Fortier.  
 First Lieut. Edward C. Allworth.  
 First Lieut. Roland W. Wittman.  
 First Lieut. Julian R. Orton.  
 First Lieut. Reginald N. Hamilton.  
 First Lieut. John W. Nicholson.  
 First Lieut. Thomas A. Young.  
 First Lieut. Charles H. Lee.  
 First Lieut. Ray B. Conner.  
 First Lieut. James S. Moore.  
 First Lieut. Franklin H. Woody.  
 First Lieut. Herbert L. Landolt.  
 First Lieut. Samuel W. Sowerbutts.  
 First Lieut. Will Van S. Parks.  
 First Lieut. Charles B. Kelly.  
 First Lieut. Malcolm M. Maner.  
 First Lieut. John L. McKee.  
 First Lieut. Glenn L. Allen.  
 First Lieut. Charles R. Jones.  
 First Lieut. Willard S. Paul.  
 First Lieut. Moritz A. R. Loth.  
 First Lieut. Robert H. Chance.  
 First Lieut. Claude W. Shelton.  
 First Lieut. Harry G. Hodgkins, jr.  
 First Lieut. Vincent P. Rousseau.  
 First Lieut. March H. Houser.  
 First Lieut. Lamont Davis.  
 First Lieut. James B. Golden.  
 First Lieut. Edwin B. Banister.  
 First Lieut. Wilfrid R. Higgins.  
 First Lieut. Eldon P. King.  
 First Lieut. Frederick S. Matthews.  
 First Lieut. Arthur P. Sibold.  
 First Lieut. Francis M. Lasseigne.  
 First Lieut. Walter Hellmers.  
 First Lieut. Jesse P. Green.  
 First Lieut. Howard W. Turner.  
 First Lieut. William A. Taber.  
 First Lieut. P. Barbour Peyton, jr.  
 First Lieut. Henry G. Sebastian.  
 First Lieut. Wesley C. Brigham.  
 First Lieut. William M. Goldston.  
 First Lieut. Cyrus H. Searcy.  
 First Lieut. Theodore Kelly.  
 First Lieut. Leon E. Norris.  
 First Lieut. David M. Hunter.  
 First Lieut. J. Harold Fleischhauer.  
 First Lieut. Tasso W. Swartz.  
 First Lieut. Edward W. McCaskey, jr.  
 First Lieut. Ward C. Goessling.  
 First Lieut. Curley P. Dusen.  
 First Lieut. Richard D. Daugherty.  
 First Lieut. Walter R. Graham.  
 First Lieut. Albert H. Peyton.  
 First Lieut. Patrick Houstoun.  
 First Lieut. Miron J. Rockwell.  
 First Lieut. Peter Wirtz.  
 First Lieut. Allen W. Stradling.  
 First Lieut. Robert V. Tackabury.  
 First Lieut. James P. Murphy.  
 First Lieut. Gustav A. M. Anderson.  
 First Lieut. William E. Kepner.  
 First Lieut. William C. Peters.  
 First Lieut. Francis L. Hill.  
 First Lieut. Charles M. Parkin.  
 First Lieut. Jacob E. Bechtold.  
 First Lieut. Neal C. Johnson.  
 First Lieut. John E. McCarthy.  
 First Lieut. Leo M. Daly.  
 First Lieut. Norman P. Groff.  
 First Lieut. Glenn A. Ross.  
 First Lieut. Donald J. Myers.

First Lieut. Vic K. Burris.  
 First Lieut. Francis A. Woolley.  
 First Lieut. Carl B. Schmidt.  
 First Lieut. Leslie L. Connett.  
 First Lieut. Owen R. Rhoads.  
 First Lieut. Joe L. Ostrander.

*To be captains with rank from November 3, 1917.*

First Lieut. Carl E. Driggers.  
 First Lieut. Carl G. Lewis.

*To be captains with rank from November 5, 1917.*

First Lieut. John D. Burris.  
 First Lieut. Harry V. Hand.  
 First Lieut. Frederick V. Edgerton.  
 First Lieut. Anthony O. Adams.

*To be captain with rank from November 7, 1917.*

First Lieut. George A. Stockton.

*To be captain with rank from November 12, 1917.*

First Lieut. Charles W. Neues.

*To be captain with rank from November 13, 1917.*

First Lieut. George R. Brown, jr.

*To be captains with rank from November 14, 1917.*

First Lieut. Oscar A. Burton.  
 First Lieut. Harold W. Kelty.

*To be captain with rank from November 15, 1917.*

First Lieut. William H. Valentine.

*To be captains with rank from November 16, 1917.*

First Lieut. George N. Munro.  
 First Lieut. Herbert Boyer.

*To be captains with rank from November 17, 1917.*

First Lieut. Myron W. Sherman.  
 First Lieut. Woodworth B. Allen.

*To be captains with rank from November 18, 1917.*

First Lieut. Robert Ferris.  
 First Lieut. William E. Shaw.  
 First Lieut. Lee B. Woolford.  
 First Lieut. Ned Blair.

*To be captains with rank from November 19, 1917.*

First Lieut. Ernest A. Kinderwater.  
 First Lieut. Oscar M. McDole.  
 First Lieut. Jared I. Wood.

*To be captain with rank from November 20, 1917.*

First Lieut. Henry H. Ranson.

*To be captain with rank from November 21, 1917.*

First Lieut. Gordon C. Irwin.

*To be captain with rank from November 22, 1917.*

First Lieut. Elbridge G. Chapman, jr.

*To be captains with rank from November 23, 1917.*

First Lieut. Jacob H. Lawrence.  
 First Lieut. Everett M. Yon.  
 First Lieut. Grady H. Pendergrast.  
 First Lieut. Robert E. Frye.

*To be captains with rank from November 28, 1917.*

First Lieut. Cornelius F. Dineen.  
 First Lieut. John C. Haynes.  
 First Lieut. George L. Hopkins.

*To be captain with rank from November 30, 1917.*

First Lieut. George M. MacMullin.

*To be captains with rank from December 1, 1917.*

First Lieut. Harold K. Coulter.  
 First Lieut. Hugh C. H. Jones.  
 First Lieut. Otto E. Pentz.  
 First Lieut. Nicholas Szilagyi.

*To be captains with rank from December 4, 1917.*

First Lieut. Williston L. Warren.  
 First Lieut. Frederick W. Hyde.

*To be captain with rank from December 10, 1917.*

First Lieut. Gilbert Good.

*To be captain with rank from December 14, 1917.*

First Lieut. Theodore Rayburn.

*To be captain with rank from December 19, 1917.*

First Lieut. Leland S. Hatfield.

*To be first lieutenants with rank from October 26, 1917.*

Second Lieut. Roland M. Glenn.  
 Second Lieut. Harry S. Robertson.  
 Second Lieut. Lawrence M. Arnold.  
 Second Lieut. Arthur R. Knott.  
 Second Lieut. Samuel O'C. Neff.  
 Second Lieut. Philip E. Brown.  
 Second Lieut. Olaf P. Winningstad.  
 Second Lieut. Raymond M. Myers.  
 Second Lieut. Paul S. Russell.  
 Second Lieut. Herbert C. Smith.  
 Second Lieut. Edward N. Mitchell.  
 Second Lieut. James A. Van Sant.  
 Second Lieut. William E. Stanley.  
 Second Lieut. Frank S. Spruill, jr.  
 Second Lieut. George A. Davis.  
 Second Lieut. Laurin L. Williams.  
 Second Lieut. George Van W. Pope.  
 Second Lieut. Edwin M. Allison.  
 Second Lieut. George E. Butler.  
 Second Lieut. Edgar L. Clewell.  
 Second Lieut. Herbert A. Buermyer.  
 Second Lieut. Leo R. Moody.  
 Second Lieut. William McL. Christie.  
 Second Lieut. Leon D. Gibbens.  
 Second Lieut. Mark M. Grubbs.  
 Second Lieut. Robert A. Kinloch.  
 Second Lieut. Joel R. Burney.  
 Second Lieut. Franklin P. Shaw.  
 Second Lieut. Winfield H. Scott.  
 Second Lieut. Arthur G. Davidson.  
 Second Lieut. Harold A. White.  
 Second Lieut. Campbell N. Jackson.  
 Second Lieut. Joel A. Fite.  
 Second Lieut. James A. Black.  
 Second Lieut. Clarence R. Peck.  
 Second Lieut. Glenn G. Hall.  
 Second Lieut. Charles C. Gillette.  
 Second Lieut. Wallace E. Hawkins.  
 Second Lieut. Ralph M. McFaul.  
 Second Lieut. Forrest P. Barrett.  
 Second Lieut. Beal H. Siler.  
 Second Lieut. Emmett G. Lenihan.  
 Second Lieut. Edward Hines, jr.  
 Second Lieut. Bird Little.  
 Second Lieut. Evan C. Williams.  
 Second Lieut. James A. O'Neill.  
 Second Lieut. Coulter M. Montgomery.  
 Second Lieut. Einar W. Chester.  
 Second Lieut. James A. Griffin.  
 Second Lieut. Guy C. McKinley, jr.  
 Second Lieut. Gordon P. Savage.  
 Second Lieut. Harold H. McClune.  
 Second Lieut. Kingsley Barham.  
 Second Lieut. Lester E. MacGregor.  
 Second Lieut. Harold P. Gibson.  
 Second Lieut. Lloyd R. Besse.  
 Second Lieut. Willard J. Mason.  
 Second Lieut. Percival R. Bowey.  
 Second Lieut. Hugh M. Elmendorf.  
 Second Lieut. William N. Given.  
 Second Lieut. Charles F. Sutherland.  
 Second Lieut. Lance E. Gowen.  
 Second Lieut. Edward P. Hayward.  
 Second Lieut. Gilbert E. Parker.  
 Second Lieut. Francis B. Myer.  
 Second Lieut. Arthur S. Nevins.  
 Second Lieut. Gustave Villaret, jr.  
 Second Lieut. Horace E. Watson.  
 Second Lieut. Lester A. Webb.  
 Second Lieut. Royal C. Carpenter.  
 Second Lieut. Edwin S. Van Dusen.  
 Second Lieut. Robert S. Boykin.  
 Second Lieut. Edward M. Ford.  
 Second Lieut. William L. Phillips.  
 Second Lieut. George A. Hunt.  
 Second Lieut. Kenneth G. Reynolds.  
 Second Lieut. Robert H. Warren, jr.  
 Second Lieut. Vyse B. Whedon.  
 Second Lieut. John Walcott.  
 Second Lieut. Philip H. Condit.  
 Second Lieut. John E. Dahlquist.  
 Second Lieut. Russell S. Fisher.  
 Second Lieut. Luther K. Brice.  
 Second Lieut. John M. Dale.

Second Lieut. Jack Edward Duke, jr.  
 Second Lieut. Tom S. Brand.  
 Second Lieut. Charles M. Ankeorn.  
 Second Lieut. James R. Urquhart.  
 Second Lieut. John W. Saladine, jr.  
 Second Lieut. Morrill W. Marston.  
 Second Lieut. Morrison C. Wood.  
 Second Lieut. Alymer B. Atkins.  
 Second Lieut. Robert Robinson.  
 Second Lieut. John D. Filley, jr.  
 Second Lieut. William E. Bergin.  
 Second Lieut. John O. Crose.  
 Second Lieut. Samuel R. Epperson.  
 Second Lieut. Leslie F. Tanner.  
 Second Lieut. Frederick L. Bramlette.  
 Second Lieut. Benjamin W. Venable.  
 Second Lieut. Myron E. Bagley.  
 Second Lieut. John L. Murphy.  
 Second Lieut. John W. Freese.  
 Second Lieut. Eugene F. Gillespie.  
 Second Lieut. George W. Setzer, jr.  
 Second Lieut. James B. Mudge.  
 Second Lieut. Allan H. Snowden.  
 Second Lieut. Earl L. R. Askam.  
 Second Lieut. Irvin L. Swanson.  
 Second Lieut. Philip D. Richmond.  
 Second Lieut. William W. Timmis.  
 Second Lieut. Gayle McFadden.  
 Second Lieut. Burt E. Skeel.  
 Second Lieut. Henry A. Brickley.  
 Second Lieut. Thomas P. Barry, jr.  
 Second Lieut. Roger Wisner.  
 Second Lieut. Merrill V. Reed.  
 Second Lieut. A. Pledger Sullivan.  
 Second Lieut. Douglas O. Langstaff.  
 Second Lieut. Ralph W. Hickey.  
 Second Lieut. George K. Page.  
 Second Lieut. Thomas L. Reese.  
 Second Lieut. William B. Yancey.  
 Second Lieut. Leo J. McCarthy.  
 Second Lieut. Griffin D. Vance.  
 Second Lieut. Joseph M. O'Grady.  
 Second Lieut. Clifford R. Wright.  
 Second Lieut. Donald McG. Marshman.  
 Second Lieut. John S. Coleman.  
 Second Lieut. Harrison B. Beavers.  
 Second Lieut. Elbridge Colby.  
 Second Lieut. Herbert D. Gibson.  
 Second Lieut. Goulding K. Wight.  
 Second Lieut. Harry S. Wilbur.  
 Second Lieut. Albert S. Johnson.  
 Second Lieut. Clarence O. Black.  
 Second Lieut. Paul B. Robinson.  
 Second Lieut. William L. Coulter.  
 Second Lieut. Glen E. McCarthey.  
 Second Lieut. Joseph H. Hinwood, jr.  
 Second Lieut. Russell F. Walthour, jr.  
 Second Lieut. James C. DeLong.  
 Second Lieut. Joseph P. Lawlor.  
 Second Lieut. Timothy A. Pedley, jr.  
 Second Lieut. Charles N. Owen.  
 Second Lieut. Charles R. Gideon.  
 Second Lieut. Archie MacI. Palmer.  
 Second Lieut. Jack B. Chadwick.  
 Second Lieut. John R. Bair.  
 Second Lieut. James S. Varnell.  
 Second Lieut. Arthur F. Dahlberg.  
 Second Lieut. Russell C. Chapman.  
 Second Lieut. Edwin T. Bowden.  
 Second Lieut. Eugene M. Frederick.  
 Second Lieut. Cassius H. Styles.  
 Second Lieut. Fisher S. Harris.  
 Second Lieut. Frederick J. Slackford.  
 Second Lieut. George F. Dashiell.  
 Second Lieut. Ray Edison Porter.  
 Second Lieut. Frank E. Barber.  
 Second Lieut. Julian Erwin.  
 Second Lieut. John E. Brannan.  
 Second Lieut. George W. Brodie, jr.  
 Second Lieut. Waldron J. Cheyney.  
 Second Lieut. Edward R. Jobson.  
 Second Lieut. Albert S. Lewis, jr.  
 Second Lieut. Edward S. Couch.  
 Second Lieut. William J. Devine.  
 Second Lieut. Edward H. Carpenter, jr.

Second Lieut. Charles C. Brooks.  
 Second Lieut. Gordon Kiemmerling.  
 Second Lieut. Francis R. Holmes.  
 Second Lieut. William V. Rattan.  
 Second Lieut. Rosswell E. Hardy.  
 Second Lieut. Wilbur C. Herbert.  
 Second Lieut. Ross Martin.  
 Second Lieut. Alexander McC. Craighead.  
 Second Lieut. William Mason Smith, jr.  
 Second Lieut. James M. Symington.  
 Second Lieut. Herron W. Miller.  
 Second Lieut. Maurice R. Fitts.  
 Second Lieut. Marvin R. Dye.  
 Second Lieut. Emanuel R. Wilson.  
 Second Lieut. William I. Truitt.  
 Second Lieut. Lloyd Zuppann.  
 Second Lieut. John K. Rice.  
 Second Lieut. Hammond D. Birks.  
 Second Lieut. James H. Hagan.  
 Second Lieut. Lester S. Ostrander.  
 Second Lieut. Edward T. White.  
 Second Lieut. Edward A. Whitney.  
 Second Lieut. Arthur B. Jopson.  
 Second Lieut. Charles P. Cullen.  
 Second Lieut. Frederick H. Gnarin.  
 Second Lieut. Roscoe B. Ellis.  
 Second Lieut. John A. Langan.  
 Second Lieut. Jeremiah E. Murphy.  
 Second Lieut. Edward G. Perley.  
 Second Lieut. Frank M. Conroy.  
 Second Lieut. Charles S. Johnson.  
 Second Lieut. Albert R. Boomhower.  
 Second Lieut. Hugh A. Wear.  
 Second Lieut. George A. Miller.  
 Second Lieut. David Loring, jr.  
 Second Lieut. Stockbridge C. Hilton.  
 Second Lieut. James D. Everett.  
 Second Lieut. Gordon C. King.  
 Second Lieut. Jackson R. Sharman.  
 Second Lieut. Harvey C. McClary.  
 Second Lieut. Willard J. Freeman.  
 Second Lieut. Jay M. Fields.  
 Second Lieut. George A. Horkan.  
 Second Lieut. Samuel C. Thompson.  
 Second Lieut. Harry W. Caygill.  
 Second Lieut. Emery St. George.  
 Second Lieut. John L. Phillips.  
 Second Lieut. Berthoud Clifford.  
 Second Lieut. James E. Jeffres.  
 Second Lieut. Epler C. Mills.  
 Second Lieut. Harry E. Storms.  
 Second Lieut. Orlo H. Quinn.  
 Second Lieut. Ernest R. Hoftzyer.  
 Second Lieut. John W. Scott.  
 Second Lieut. Lewis A. Page.  
 Second Lieut. John M. Battle.  
 Second Lieut. John R. Sproul.  
 Second Lieut. Virgil Conkling.  
 Second Lieut. William R. Silvey.  
 Second Lieut. Alexander O. Gorder.  
 Second Lieut. Charles E. Garbrick.  
 Second Lieut. Forrest A. Roberts.  
 Second Lieut. Alonzo F. Myers.  
 Second Lieut. Thomas E. Martin.  
 Second Lieut. Max J. Berg.  
 Second Lieut. Thomas J. Guilbeau.  
 Second Lieut. Hugh J. Hannigan.  
 Second Lieut. John J. Mathison.  
 Second Lieut. Milo V. Buchanan.  
 Second Lieut. Kearie L. Berry.  
 Second Lieut. William E. Wiley.  
 Second Lieut. Earl P. Kemp.  
 Second Lieut. William E. Chickering.  
 Second Lieut. Wilbur R. McReynolds.  
 Second Lieut. David D. Barrett.  
 Second Lieut. William W. Burke.  
 Second Lieut. Arthur D. Fay.  
 Second Lieut. William B. Pitts.  
 Second Lieut. Thomas H. Ramsey.  
 Second Lieut. Paul D. Davis.  
 Second Lieut. Lewis B. Rock.  
 Second Lieut. Gaillard Pinckney.  
 Second Lieut. Benjamin F. O'Connor, jr.  
 Second Lieut. Fred C. Milner.  
 Second Lieut. William P. Driskell, jr.

Second Lieut. George K. Bowden.  
 Second Lieut. Lloyd Wallace Georgeson.  
 Second Lieut. Francis M. Darr.  
 Second Lieut. William C. Webster.  
 Second Lieut. Francis T. Ward.  
 Second Lieut. Frederick W. Wendt.  
 Second Lieut. William C. Thurman.  
 Second Lieut. Robert E. Shideler.  
 Second Lieut. Oliver W. Fannin.  
 Second Lieut. Charles F. Craig.  
 Second Lieut. Arthur L. Turner.  
 Second Lieut. Henderson D. Emery.  
 Second Lieut. Oscar K. Wolber.  
 Second Lieut. Russell Slocum.  
 Second Lieut. Karl Eugene Henion.  
 Second Lieut. Thomas L. Creekmore.  
 Second Lieut. George O. Clark.  
 Second Lieut. William C. Stettinius.  
 Second Lieut. Russell J. Potts.  
 Second Lieut. William H. Craig.  
 Second Lieut. John R. Schwartz.  
 Second Lieut. Thaddeus C. Knight.  
 Second Lieut. Ollie W. Reed.  
 Second Lieut. Frank E. Boyd.  
 Second Lieut. Louis W. Maddox.  
 Second Lieut. Clark O. Tayntor.  
 Second Lieut. Ernest Eugene Stansbery.  
 Second Lieut. Malvern J. Nabb.  
 Second Lieut. Andrew H. Hilgartner.  
 Second Lieut. John C. Glithero.  
 Second Lieut. Eugene P. Watkins.  
 Second Lieut. Richard N. Armstrong.  
 Second Lieut. Philip J. Sexton.  
 Second Lieut. W. Fulton Magill, jr.  
 Second Lieut. Harry Curry.  
 Second Lieut. Ethan A. H. Shepley.  
 Second Lieut. Otis B. Adams.  
 Second Lieut. Millard F. Staples.  
 Second Lieut. Hugh H. Drake.  
 Second Lieut. Joseph H. Kelleher.  
 Second Lieut. Benjamin R. Sleeper.  
 Second Lieut. James J. Kelley.  
 Second Lieut. Walter B. Fariss.  
 Second Lieut. Robert J. Wagoner.  
 Second Lieut. William E. Vernon.  
 Second Lieut. Felix V. Embree.  
 Second Lieut. William T. Makinson.  
 Second Lieut. Clarence E. Allen, jr.  
 Second Lieut. George F. Herrick.  
 Second Lieut. Joseph W. McCall, jr.  
 Second Lieut. John R. Hunneman.  
 Second Lieut. Winfred E. Merriam.  
 Second Lieut. Laurence MacH. Tharp.  
 Second Lieut. Clive A. Wray.  
 Second Lieut. Donald P. Vail.  
 Second Lieut. Thomas B. Steel.  
 Second Lieut. Douglas B. Baker.  
 Second Lieut. Harold H. White.  
 Second Lieut. Thomas W. Butler.  
 Second Lieut. Everett Busch.  
 Second Lieut. Frank G. Busted.  
 Second Lieut. Frank L. Scott, jr.  
 Second Lieut. John W. Heisse.  
 Second Lieut. Douglas G. McGrath.  
 Second Lieut. Stephen C. Peabody.  
 Second Lieut. Max Bernstein.  
 Second Lieut. Herschel V. Johnson.  
 Second Lieut. William B. Clark.  
 Second Lieut. Stewart D. Hervey.  
 Second Lieut. James L. Blanding.  
 Second Lieut. Frank J. Pearson.  
 Second Lieut. J. Gordon Hussey.  
 Second Lieut. Lester T. Miller.  
 Second Lieut. Leo Donovan.  
 Second Lieut. George E. Kirk.  
 Second Lieut. Frank W. Hayes.  
 Second Lieut. Vincent Rochester Bartlett.  
 Second Lieut. Samuel M. Bemiss.  
 Second Lieut. Richard L. Holbrook.  
 Second Lieut. James K. Hoyt, jr.  
 Second Lieut. Julian G. Hart.  
 Second Lieut. William M. Leffingwell.  
 Second Lieut. John T. Sunstone.  
 Second Lieut. Arthur B. McDaniel.  
 Second Lieut. Harold H. Schaper.

Second Lieut. Randall T. Kendrick.  
 Second Lieut. Percy McCay Vernon.  
 Second Lieut. Samuel W. Perrott.  
 Second Lieut. Jay A. Richardson.  
 Second Lieut. Milton Whitney, jr.  
 Second Lieut. Emile J. Boyer.  
 Second Lieut. Harry M. Bardin.  
 Second Lieut. Joseph P. Guillet.  
 Second Lieut. Leander Forest Conley.  
 Second Lieut. Paul P. Reilly.  
 Second Lieut. Peter J. Lloyd.  
 Second Lieut. Paul S. Buchanan.  
 Second Lieut. Cranston G. Williams.  
 Second Lieut. Lewis B. Cox.  
 Second Lieut. Theodore M. Cornell.  
 Second Lieut. Launcelot M. Blackford.  
 Second Lieut. Frederick W. Deck.  
 Second Lieut. Fernand G. Dumont.  
 Second Lieut. Stephen Y. Mann.  
 Second Lieut. Joseph H. Payne.  
 Second Lieut. George E. Braker, jr.  
 Second Lieut. Paul V. Kellogg.  
 Second Lieut. Langdon D. Wythe.  
 Second Lieut. John O. Flautt, jr.  
 Second Lieut. Giles F. Ewing.  
 Second Lieut. Fred W. King.  
 Second Lieut. Ivy W. Crawford.  
 Second Lieut. John S. Fishback.  
 Second Lieut. Robert S. Downing.  
 Second Lieut. Clement A. Reed.  
 Second Lieut. George M. Hancock.  
 Second Lieut. Jesse B. Smith.  
 Second Lieut. Selden S. Smith.  
 Second Lieut. John R. Hodge.  
 Second Lieut. Arthur R. Walk.  
 Second Lieut. Leslie E. Toole.  
 Second Lieut. Lewis A. List.  
 Second Lieut. James F. Johnson, jr.  
 Second Lieut. Francis M. Brady.  
 Second Lieut. Eubert H. Malone.  
 Second Lieut. Wayne B. Schmidt.  
 Second Lieut. Theodore W. Crossen.  
 Second Lieut. James F. Butler.  
 Second Lieut. Herbert G. Peterson.  
 Second Lieut. Truman M. Martin.  
 Second Lieut. Veno E. Sacre.  
 Second Lieut. Warner B. Van Aken.  
 Second Lieut. Richard G. Plumley.  
 Second Lieut. Charles R. Davis.  
 Second Lieut. Cecil L. Rutledge.  
 Second Lieut. Theodore C. Gerber.

## HOUSE OF REPRESENTATIVES.

THURSDAY, February 21, 1918.

The House met at 12 o'clock noon.

Rev. Ulysses G. B. Pierce, D. D., pastor of All Souls Church, Washington, D. C., offered the following prayer:

O Lord, our Heavenly Father, Almighty and Everlasting God, who hast safely brought us to the beginning of this day, defend us in the same with Thy mighty power and direct us with Thine infinite wisdom. May all our deliberations, begun in Thy name, be continued in Thy fear and ended to Thy glory. So, our Father, may we labor until the kingdoms of this world become the kingdom of our God and of His Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

### EXTENSION OF REMARKS.

Mr. CLARK of Florida rose.

The SPEAKER. For what purpose does the gentleman from Florida rise?

Mr. CLARK of Florida. I rise, Mr. Speaker, to ask unanimous consent to extend my remarks in the Record by printing a tribute by a newspaper in my district to a young lieutenant killed in France.

The SPEAKER. The gentleman from Florida asks unanimous consent to extend his remarks in the Record by printing an editorial from a Florida paper. Is there objection?

There was no objection.

Mr. BLACK. Mr. Speaker, I ask unanimous consent that my colleague, Mr. JONES of Texas, have leave to extend his remarks by printing a letter that he wrote to the Committee on Foreign Affairs concerning a resolution that he introduced.

The SPEAKER. The gentleman from Texas asks unanimous consent that his colleague [Mr. JONES] be permitted to extend his remarks in the Record by printing a letter that he wrote to the Committee on Foreign Affairs. Is there objection?

Mr. WALSH. Reserving the right to object, Mr. Speaker, that relates to some measure that is pending?

Mr. BLACK. Yes. I called attention to it before.

Mr. WALSH. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

### MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message, in writing, from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries.

### EXCESS-PROFITS TAX REGULATIONS NO. 41.

Mr. BARNHART. Mr. Speaker, I submit a privileged resolution and ask for its present consideration.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

House concurrent resolution 36 (H. Rept. No. 328).

Resolved by the House of Representatives (the Senate concurring), That there shall be printed 500,000 copies of the war excess-profits tax regulations No. 41—150,000 copies for the use of the Senate and 350,000 copies for the use of the House of Representatives, the same to be distributed through the folding rooms.

The SPEAKER. The question is on agreeing to the resolution.

Mr. DOWELL. Mr. Speaker, will the gentleman yield?

Mr. BARNHART. I yield.

Mr. DOWELL. How long will it take to have these copies ready for distribution?

Mr. BARNHART. I have the assurance of the Printing Office this morning that they will go right at them. They are now delivering the last primers ordered a week ago, so that it may be a week before they are out.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

### INCOME TAX REGULATIONS NO. 33, REVISED.

Mr. BARNHART. Mr. Speaker, I submit another privileged resolution and ask its immediate consideration.

The SPEAKER. This is a privileged resolution?

Mr. BARNHART. Yes.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

House concurrent resolution 37 (H. Rept. No. 327).

Resolved by the House of Representatives (the Senate concurring), That there shall be printed 500,000 copies of the income-tax regulations No. 33, revised—150,000 copies for the use of the Senate and 350,000 copies for the use of the House of Representatives, the same to be distributed through the folding rooms.

The SPEAKER. Is not this the same resolution that was just passed?

Mr. BARNHART. No.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

### STATUE OF JAMES BUCHANAN.

The SPEAKER. The Clerk will read the engrossed copy of the Buchanan Statue resolution.

The engrossed copy of House joint resolution 70 was read.

The SPEAKER. The question is—

Mr. STAFFORD. Mr. Speaker, I offer a motion to recommit the resolution with instructions to the Committee on the Library to report the same back forthwith with an amendment.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Mr. STAFFORD moves to recommit by striking out all the remainder of the paragraph after the words "United States," page 1, line 7, down to the proviso, and inserting "on one of the public reservations generally known as 'small park areas' and which is entirely surrounded by streets in the city of Washington, D. C., to be selected by the officer in charge of public buildings and grounds and the Commission of Fine Arts."

Mr. SLAYDEN. Mr. Speaker, I move the previous question on that.

Mr. STAFFORD. Will the gentleman hold that for five minutes, in view of the erroneous ruling made by the gentleman from Kentucky [Mr. SHERLEY]? Will he not withhold it for five minutes?

Mr. SLAYDEN. Mr. Speaker, this is to gratify the gentleman from Wisconsin, who was in such a desperate hurry yesterday to get to the consideration of the railroad bill.

Mr. STAFFORD. The gentleman is putting words in my mouth that I did not use, and he is attempting to deprive this House of fair play.

Mr. GILLET. Mr. Speaker, I make the point of no quorum.  
Mr. CRISP. Mr. Speaker, when the previous question was ordered the motion would not be debatable anyway.

Mr. STAFFORD. It is not a question of the previous question.

The SPEAKER. The motion for the previous question is not debatable and never has been.

Mr. CRISP. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. CRISP. The motion to recommit anyway would not be debatable, the previous question having been ordered on the passage of the bill.

The SPEAKER. This is a motion for the previous question on the motion to recommit.

Mr. CRISP. The previous question is ordered on a motion to recommit for the purpose of cutting off amendments to the motion to recommit; but where the previous question is ordered on the passage of the bill, I think the motion to recommit is not debatable. That is the parliamentary inquiry that I desire to propound to the Chair.

Mr. GILLET. It is debatable by unanimous consent.

Mr. CRISP. We can do anything by unanimous consent.

Mr. STAFFORD. If you will not allow three minutes to discuss a bona fide amendment—

Mr. GILLET. Under the circumstances, I make the point of no quorum, Mr. Speaker.

The SPEAKER. The gentleman from Texas [Mr. SLAYDEN] moves the previous question on the motion to recommit, and the gentleman from Massachusetts [Mr. GILLET] makes the point of no quorum present. Evidently there is not.

Mr. KITCHIN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will lock the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Anthony	Fuller, Mass.	Lobeck	Rodenberg
Blackmon	Garland	McCormick	Rowland
Booher	Glass	McFadden	Sanders, La.
Britten	Gould	McLaughlin, Pa.	Scott, Iowa
Candler, Miss.	Hamill	Magee	Scully
Capstick	Hamlin	Maher	Snyder
Chandler, N. Y.	Harrison, Va.	Mann	Stedman
Costello	Haskell	Meeker	Steenerson
Curry, Cal.	Heintz	Miller, Minn.	Sullivan
Dallinger	Hensley	Miller, Wash.	Summers
Davidson	Holland	Mudd	Taylor, Colo.
Drukker	Hollingsworth	Nelson	Vare
Dyer	Hood	Nicholls, S. C.	Walker
Eagle	Howard	Oliver, Ala.	Webb
Edmonds	Johnson, S. Dak.	Olney	Wilson, La.
Emerson	Jones, Tex.	O'Shaunessy	Woods, Iowa
Fairchild, G. W.	Kelley, Mich.	Overmyer	Young, N. Dak.
Ferris	Kennedy, R. I.	Phelan	Zihlman
Fess	Kraus	Porter	
Flynn	LaGuardia	Rainey	

The SPEAKER. On this roll call 349 Members, a quorum, have answered to their names.

Mr. KITCHIN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will unlock the doors.

Mr. GILLET. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. STAFFORD] be allowed five minutes to explain this motion to recommit.

The SPEAKER. The gentleman from Massachusetts [Mr. GILLET] asks unanimous consent that the gentleman from Wisconsin [Mr. STAFFORD] be allowed five minutes in which to express his opinion.

Mr. SLAYDEN. Mr. Speaker, I hope that request will be granted. The gentleman has explained his reason.

The SPEAKER. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Speaker, the joint resolution as reported to the House provides for the location of this statue at Meridian Hill Park. In my motion to recommit, embodying the amendment which I sought to have voted upon yesterday, but when I was denied that privilege by reason of an erroneous ruling, this statue is to be located at a public reservation in one of the smaller park areas entirely surrounded by streets, of which there are numerous in different parts of the city. Regardless of the position which you may take as to whether the statue should be erected or not, it should at least, from my standpoint, and I think from the standpoint of the friends of the statue, be evident that we ought not to locate this statue of James Buchanan in the one public park that is destined to be rather historic as Washington grows in history. There are ample public reservations where the proposed statue could be erected, and even now these public reservations are being rapidly

taken up. It will be only a question of time when we will have to put the ban on the allowance of further statues on public reservations to persons whose fame is of a more or less doubtful character. But I plead with all Members that Meridian Hill Park, out Sixteenth Street, be reserved for future statues of celebrities who have made names for themselves in the past or who are now making names for themselves in the present European war. There are plenty of other places which would be fitting for this statue of James Buchanan. I leave the selection of the place to the officer in charge of public buildings and the Commission of Fine Arts. I believe it is a bad practice for a committee to locate the site where this statue should be placed, especially when that committee may have been influenced by representatives from localities where some of the trustees under this will reside. The site should be selected by the Commission of Fine Arts in collaboration with the Superintendent of Public Buildings and Grounds.

The Commission of Fine Arts should be allowed to determine what is a fitting place, and I can conceive of no more fitting place for a statue of James Buchanan than in one of these triangular parks. I merely rose to explain the purpose of the motion to recommit, and not wishing to take up any further time I submit the question for a vote.

The SPEAKER. The question is on adopting the previous question.

The previous question was ordered.

The SPEAKER. The question now is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were 96 yeas and 164 noes.

So the motion to recommit was rejected.

The SPEAKER. The question now is on the passage of the joint resolution.

Mr. WALSH. And on that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 213, nays 127, answered "present" 3, not voting 85, as follows:

## YEAS—213.

Alexander	Doolling	Lazaro	Saunders, Va.
Almon	Doremus	Lea, Cal.	Scott, Pa.
Ashbrook	Doughton	Lee, Ga.	Sears
Aswell	Drane	Leser	Shackelford
Ayres	Dupré	Lever	Shallenberger
Bankhead	Eagan	Linthicum	Sherley
Barkley	Edmonds	Littlepage	Sherwood
Barnhart	Estopinal	London	Shouse
Beakes	Evans	Lomergan	Siegel
Bell	Fields	Lunn	Sims
Beshlin	Fisher	McAndrews	Sisson
Black	Flood	McFadden	Slayden
Blanton	Foster	McKeown	Slemp
Booher	Francis	McLemore	Small
Borland	French	Mansfield	Smith, C. B.
Brand	Gallagher	Martin	Smith, T. F.
Brodbeck	Gallivan	Mason	Snook
Browning	Gard	Montague	Stegall
Brumbaugh	Garner	Moore, Pa.	Steele
Buchanan	Garrett, Tenn.	Mott	Stephens, Miss.
Burnett	Garrett, Tex.	Mudd	Stephens, Nebr.
Butler	Glass	Neely	Sterling, Pa.
Byrnes, S. C.	Goodwin, Ark.	Nelson	Stevenson
Byrns, Tenn.	Gordon	Nolan	Strong
Caldwell	Gray, Ala.	Norton	Swift
Campbell, Pa.	Gregg	Oldfield	Tague
Cannon	Griest	Oliver, N. Y.	Talbott
Cantrill	Hardy	Osborne	Taylor, Ark.
Caraway	Harrison, Miss.	O'Shaunessy	Templeton
Carew	Hastings	Overstreet	Thomas
Carlin	Hayden	Padgett	Thompson
Carter, Okla.	Hayes	Park	Tillman
Clark, Fla.	Heaton	Parker, N. J.	Van Dyke
Claypool	Heflin	Peters	Venable
Coady	Helm	Polk	Vinson
Collier	Helvering	Pou	Walton
Connally, Tex.	Hilliard	Price	Ward
Connely, Kans.	Houston	Quin	Watkins
Copley	Huddleston	Ragsdale	Watson, Pa.
Cox	Hull, Tenn.	Raker	Watson, Va.
Crago	Humphreys	Randall	Weaver
Crisp	Igoe	Rayburn	Webb
Crosser	Jacoway	Riordan	Wellington
Dale, N. Y.	Johnson, Ky.	Robbins	Welty
Darrow	Jones, Va.	Roberts	Whaley
Davis	Keating	Robinson	White, Ohio
Decker	Kehoe	Romjue	Wilson, Tex.
Dent	Kettner	Rose	Wingo
Dewalt	Key, Ohio	Rouse	Wise
Dickinson	Kless, Pa.	Rowe	Wright
Dies	Kincheloe	Rubey	Young, Tex.
Dill	Kitchin	Rucker	
Dixon	Kreider	Russell	
Dominick	Larsen		

## NAYS—127.

Anderson	Browne	Cooper, Ohio	Davidson
Anthony	Burroughs	Cooper, W. Va.	Dempsey
Austin	Campbell, Kans.	Cooper, Wis.	Denison
Baer	Cary	Cramton	Dillon
Bland	Chandler, Okla.	Currie, Mich.	Doolittle
Bowers	Classon	Dale, Vt.	Bowell

Dunn	Haugen	McLaughlin, Mich.	Smith, Mich.
Elliot	Hawley	Madden	Snell
Ellsworth	Hershey	Mapes	Stafford
Elston	Hull, Iowa	Mays	Sterling, Ill.
Esch	Husted	Merritt	Stinson
Fairfield	Hutchinson	Moore, Ind.	Sweet
Farr	Ireland	Morgan	Temple
Focht	James	Nichols, Mich.	Timberlake
Fordney	Johnson, Wash.	Palge	Tinkham
Foss	Juhl	Parker, N. Y.	Towner
Frear	Kahn	Platt	Treadway
Freeman	Kearns	Powers	Vestal
Fuller, Ill.	Kelly, Pa.	Pratt	Volgt
Gandy	Kennedy, Iowa	Purnell	Volstead
Gillett	King	Ramsey	Waldow
Glyn	Kinkaid	Ramseyer	Walsh
Good	Knutson	Reavis	Wason
Goodall	La Follette	Rogers	Wheeler
Graham, Ill.	Lehlbach	Sanders, Ind.	White, Me.
Graham, Pa.	Lenroot	Sanders, N. Y.	Williams
Green, Iowa	Little	Schall	Wilson, Ill.
Greene, Mass.	Longworth	Scott, Mich.	Winslow
Greene, Vt.	Lufkin	Sells	Wood, Ind.
Hadley	Lundeen	Sloan	Woods, Iowa
Hamilton, Mich.	McCulloch	Smith, Idaho	Woodyard
Hamilton, N. Y.	McKenzie		

## ANSWERED "PRESENT"—3.

Gray, N. J. Langley Sabbath

## NOT VOTING—85.

Bacharach	Fuller, Mass.	McArthur	Rowland
Blackmon	Garland	McClintic	Sanders, La.
Britten	Gardwin, N. C.	McCormick	Sanford
Candler, Miss.	Gould	McKinley	Scott, Iowa
Capstick	Hamill	McLaughlin, Pa.	Scully
Carter, Mass.	Hamlin	Magee	Sinnott
Chandler, N. Y.	Harrison, Va.	Maher	Snyder
Church	Haskell	Mann	Stedman
Clark, Pa.	Heintz	Meeker	Steenerson
Costello	Hensley	Miller, Minn.	Sullivan
Curry, Cal.	Hicks	Miller, Wash.	Sumners
Dallinger	Holland	Mondell	Switzer
Denton	Hollingsworth	Morin	Taylor, Colo.
Drukker	Hood	Nicholls, S. C.	Tilson
Dyer	Howard	Oliver, Ala.	Vare
Eagle	Johnson, S. Dak.	Olney	Walker
Emerson	Jones, Tex.	Overmyer	Wilson, La.
Fairchild, B. L.	Kelley, Mich.	Phelan	Young, N. Dak.
Fairchild, G. W.	Kennedy, R. I.	Porter	Zihlman
Ferris	Kraus	Rainey	
Fess	LaGuardia	Reed	
Flynn	Lobeck	Rodenberg	

So the joint resolution was passed.

The following pairs were announced:

Until further notice:

Mr. HENSLEY with Mr. KELLEY of Michigan.

Mr. OLIVER of Alabama with Mr. GEORGE W. FAIRCHILD.

Mr. FERRIS with Mr. HOLLINGSWORTH.

Mr. HOWARD with Mr. McLAUGHLIN of Pennsylvania.

Mr. WILSON of Louisiana with Mr. LANGLEY.

Mr. CHURCH with Mr. BACHARACH.

Mr. DENTON with Mr. BRITTEN.

Mr. EAGLE with Mr. CARTER of Massachusetts.

Mr. FLYNN with Mr. BENJAMIN L. FAIRCHILD.

Mr. GODWIN of North Carolina with Mr. FESS.

Mr. HAMILL with Mr. GARLAND.

Mr. HAMLIN with Mr. DYER.

Mr. HOOD with Mr. CHANDLER of New York.

Mr. JONES of Texas with Mr. HASKELL.

Mr. LOBECK with Mr. COSTELLO.

Mr. McCLINTIC with Mr. KENNEDY of Rhode Island.

Mr. MAHER with Mr. McKINLEY.

Mr. NICHOLS of South Carolina with Mr. MEEKER.

Mr. OLNEY with Mr. MILLER of Minnesota.

Mr. OVERMYER with Mr. REED.

Mr. PHELAN with Mr. RODENBERG.

Mr. RAINEY with Mr. SNYDER.

Mr. SANDERS of Louisiana with Mr. STEENERSON.

Mr. STEDMAN with Mr. SWITZER.

Mr. SULLIVAN with Mr. TILSON.

Mr. SUMNERS with Mr. ZIHLMAN.

Mr. TAYLOR of Colorado with Mr. DALLINGER.

Mr. WALKER with Mr. ROWLAND.

Mr. SCULLY with Mr. CURRY of California.

On this vote:

Mr. HICKS (for) with Mr. McARTHUR (against).

Mr. CANDLER of Mississippi (for) with Mr. MAGEE (against).

Mr. HOLLAND (for) with Mr. FULLER of Massachusetts (against).

Mr. HARRISON of Virginia (for) with Mr. GOULD (against).

Mr. BLACKMON (for) with Mr. EMERSON (against).

The result of the vote was then announced as above recorded.

On motion of Mr. SLAYDEN, a motion to reconsider the vote whereby the joint resolution was passed was laid on the table.

## STATUARY IN THE CAPITAL.

Mr. OSBORNE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting therein an ad-

dress delivered by Gen. ISAAC R. SHERWOOD on statuary in the Capital.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the Record in the manner stated. Is there objection?

There was no objection.

## EXTENSION OF REMARKS.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting therein a copy of a memorandum of a dispatch to the Secretary of State of the United States from the envoy of the provisional government of Ireland, dated February 17, 1918. It is not very long.

The SPEAKER. The gentleman from Illinois [Mr. MASON] asks unanimous consent to extend his remarks in the Record by printing a letter to the Secretary of State. Is there objection?

Mr. WALSH. I object.

The SPEAKER. The gentleman from Massachusetts objects.

## LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. JOHNSON of Washington for Friday and Saturday; and To Mr. KRAUS (at the request of Mr. Wood of Indiana), indefinitely, on account of sickness.

## ORDER OF BUSINESS.

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for four minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House for four minutes. Is there objection?

Mr. SIMS. Mr. Speaker, I object.

The SPEAKER. The gentleman from Tennessee objects.

## FEDERAL CONTROL OF RAILROAD TRANSPORTATION.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9685, to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes. Pending that motion, I wish to know if we can not have some agreement in respect to the closing of general debate?

The SPEAKER. Has the gentleman any suggestion to make?

Mr. SIMS. Yes. I ask unanimous consent that all general debate on the pending bill close upon the rising of the committee this afternoon, not later than 6 or 6.30 o'clock.

The SPEAKER. Is there objection?

Mr. ESCH. Mr. Speaker, we have lost almost an hour and a half already to-day. To-morrow there is a special order, which will take possibly an hour, and if the Committee on Invalid Pensions claims the day we may lose another half hour, so that I feel we can not agree to the proposition made by the gentleman from Tennessee. I have requests from members of the committee that will consume at least two hours and a half. Five members of the committee on this side have not yet debated the question. I have requests from 16 other Members of the House asking for time. I believe under the circumstances we should devote all day to-morrow to general debate, and I think we will make time by so doing.

Mr. SIMS. Mr. Speaker, this measure is so important that I do not think we need to emphasize its importance. The unanimous-consent agreement under which we are considering the bill is that it shall be considered until concluded when taken up, with the exception of Calendar Wednesday and conference reports; so as far as pension matters are concerned they can be delayed. I do not know about the terms of the special order for to-morrow. I will make this further request, that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow, and that all general debate on the bill close not later than 3 o'clock to-morrow. That will give abundant time for any real discussion that is needed in general debate.

Mr. GILLETT. Why not wait until to-night before making that request?

Mr. SIMS. I desire that there may be as much liberality as possible when we come to consider the bill for amendment under the five-minute rule, and the time of gentlemen may be extended when talking not directly to what may be before the House, when Members are in much better attendance than they are in general debate. I hope the gentleman will agree to that request.

Mr. LENROOT. Mr. Speaker, reserving the right to object, so far all of the time that has been consumed upon the bill has been consumed by members of the committee.

Mr. SIMS. Oh, no.

Mr. LENROOT. With two exceptions.

Mr. LANGLEY. Practically all of the time has been consumed by members of the committee.

Mr. LENROOT. Practically all of it, and to-day will be taken, I understand, by members of the committee. Does not the gentleman think there should be reasonable opportunity for those who are not members of the committee who desire to discuss this bill in general debate to do so?

Mr. SIMS. There are at least four hours and a half that we can devote to general debate to-day. That is two hours and a quarter on a side. If we meet at 11 o'clock to-morrow, even if an hour should come out, that would give three hours for general debate to-morrow.

Mr. LENROOT. That is an hour and a half on a side. I want to say to the gentleman that I very much desire to have an hour, and I have stated to the gentleman what I personally desire. I want to have the time in general debate, because I think the committee will want to consider some of the suggestions that I have to make.

Mr. KITCHIN. Could not the gentleman from Tennessee give gentlemen on the other side two-thirds of his time to-morrow?

Mr. SIMS. I would want to reserve, in order to close, if need be, 30 minutes, but I will say right now that I shall yield one hour of the equal time to be disposed of as the gentleman from Wisconsin [Mr. Esch] may see proper.

Mr. AUSTIN. Is not to-morrow pension day in the House?

Mr. GARNER. Yes; but the unanimous-consent agreement puts it out of the way.

Mr. LANGLEY. It is pension day, but it will not take very long.

Mr. GILLET. Why does not the gentleman let the debate run to-day and make an agreement to meet at 11 o'clock to-morrow for general debate, and then see how far we have gotten to-day, and see whether members of the committee have all used up their time, because I think the gentleman wants to be reasonable, and it is certainly fair that Members on this side of the House, outside of the committee, should get more than an hour and a half, it seems to me.

Mr. SIMS. Well, that is a matter entirely with that side of the House when I offer here to yield one hour and give them one hour more than consumed on this side, and have all the afternoon until 3 o'clock—I will make it 4 o'clock.

Mr. LENROOT. Make it all day.

Mr. SIMS. No; I will offer a motion to close debate rather than that; but I do hope the gentleman will consent to 4 o'clock, with the understanding that he may have an hour and a half the advantage of this side in the division of the time.

The SPEAKER. Has the gentleman any other request to make?

Mr. SIMS. The request is this: I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow, and that all general debate on this bill close not later than 4 o'clock to-morrow, the gentleman from Wisconsin [Mr. Esch] in the division of time to have one hour and a half more than this side.

Mr. WALSH. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. WALSH. Mr. Speaker, reserving the right to object, it seems to me that a matter which the chairman has stated is of such great importance that there should not be any arrangement entered into whereby the committee have two whole days of general debate and the rest of the membership of this House be permitted to have only four hours of participation in general debate, and I think it is not unfair to ask that the whole of to-morrow be devoted to general debate, so that other Members who are just as well able to discuss this matter in general debate as some of the members of the committee, who have been unable to answer questions relating to the bill, may be heard; and therefore I shall object to the request.

The SPEAKER. The gentleman objects.

Mr. SIMS. Mr. Speaker, I move that all general debate upon this bill—I mean the railroad-control bill—close not later than 4 o'clock to-morrow.

Mr. LANGLEY. That does not give enough time, I want to say to the gentleman.

Mr. SIMS. This is not debatable.

The SPEAKER. The gentleman from Tennessee moves that general debate on this railroad bill shall close at 4 o'clock p. m. to-morrow.

Mr. WALSH. Mr. Speaker, I would like to offer an amendment to make it not later than 6 o'clock to-morrow.

Mr. SIMS. I move the previous question on my motion—

The SPEAKER. But the gentleman from Massachusetts has been recognized proposing a substitute of 6 o'clock for 4 o'clock.

The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the Speaker announced the ayes seemed to have it.

On a division (demanded by Mr. SIMS) there were—ayes 116, noes 62.

So the amendment was agreed to.

The SPEAKER. Does the gentleman want the 11 o'clock request submitted?

Mr. SIMS. No.

Mr. LENROOT. Mr. Speaker, the motion as amended must be put.

The SPEAKER. Yes. The question is on the motion as amended.

The question was taken, and the motion as amended was agreed to.

Mr. DOWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DOWELL. Was not the request to meet at 11 o'clock included in the motion?

The SPEAKER. No; the motion was only to close debate at 4 o'clock.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9685.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9685, with Mr. GARRETT of Tennessee in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9685, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 9685) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

Mr. SIMS. Mr. Chairman, I yield one hour to the gentleman from Pennsylvania [Mr. DEWALT], a member of the committee. [Applause.]

Mr. DEWALT. Mr. Chairman and gentlemen of the committee, judging from the statements made by the distinguished gentleman from Massachusetts I am fully aware that this subject, which we are about to discuss, is one of great importance. He emphasized that fact by saying that he was quite sure that there were Members of the House, other than members of the committee, who were quite equal to the task of discussing this bill. I grant him that, because in the very outset of my remarks I desire to say that the importance and the gravity of this bill is of such momentous character that, even though I as a member of the committee have been engaged in hearings for almost four weeks, I do not have the temerity to say that I am entirely able to discuss comprehensively and lucidly the provisions of this bill. The importance of it is beyond question, and perhaps in the outset it might be well to refer to some matters that make it so important for the earnest consideration of this great body. In the first place, the property rights of the railroad companies amount in the aggregate, roughly estimating the same, to over \$18,000,000,000 in this country, and this legislation will vitally affect that tremendous amount of property interest. The mere statement of that fact is sufficient to warrant me in stating that this is one of the most important bills presented to this Congress. Again, there are 1,700,000 employees engaged by these railroad companies. Who would dare to assert in contradiction that their interests should not be conserved and preserved, and if that be true, then again the importance of this great measure must become apparent to you. Added to that you should remember that there are over 250,000 miles of railroad lines in this country that must be affected by this legislation. Added to that fact is another which is quite important, and that is that there are hundreds of thousands of stockholders in these corporations whose moneyed interests will be vitally affected by the passage or the nonpassage of this bill. And so whilst one perhaps is able, after hearings held in committee, to have some general knowledge of the subject that he is about to discuss, I am very frank to say to this membership that I am quite aware of my own deficiencies. I claim no pride of authorship in this bill, nor do I attempt to assert that it is a perfect bill.

Mr. CANNON. Mr. Chairman, I would make the suggestion that the gentleman has omitted from his list of those who are vitally interested the 110,000,000 people in the United States.

Mr. DEWALT. If the gentleman from Illinois had permitted me a moment, I would have referred to that as perhaps the most important of all the considerations, and I am very glad the gentleman introduced it just the moment that he did. The

great question of rates in this controversy is certain to be raised, and, after all, in the ultimate conclusion, if the gentleman from Illinois will permit me to suggest, it is the consumer who ultimately pays the freight. And it is entirely suggestive and proper that the gentleman from Illinois should say that 110,000,000 people are vitally interested in this legislation, because as the rates are changed, either for freight or passenger traffic, or as the management of these roads is changed ultimately, the people—men, women, and children—throughout the country must, in the popular expression used, "pay the freight."

Now, let us drop for a moment, if you please, the consideration of the importance of this legislation. The next thought that occurs to me, and possibly will occur to you, is, logically, admitting the importance of it, where is the necessity for it? The necessity for it became quite apparent to every man who had the situation in hand, and particularly and strongly apparent to the membership of this committee. The whole Nation knew, and everyone now is convinced, of the fact that the railroad systems of the country had, according to popular expression, "broken down." Freight traffic, passenger traffic, all sorts of transportation facilities, were congested and for the time being almost at a standstill. What were the causes of this great discomfort to the people of this country? Was it the fault of the Government? No one could fairly charge that that was true. Was it the fault of the railroads? Partially so; yes. I think an affirmative answer could be given to that proposition. But there were other reasons which were momentous and almost paramount in regard to this great disaster that fell upon the country almost overnight. What were they?

There was a tremendous demand for transportation. When the war came on, and when we were preparing for entrance into the war, it became necessary to make shipments almost beyond comparison with the shipments that had been made in years prior to our proposed entrance into the contest. The natural consequence was that freight traffic was congested. And the sequence of that congestion, and the sequence also of the demand of the Government for shipments of war munitions, led to priority orders, and priority orders meant in substance that governmental shipments should take precedence of all other shipments. And for that reason, and for other reasons consequent thereon, there was this congestion in freight and passenger traffic. Added to that was the apparent desire, futile in the end, of the railroad managers to help the Government; and you will remember better perhaps than I can tell you, that there was a War Board of Railroads established, which War Board of Railroads, consisted of the general managers and presidents of the various roads of the country. To their credit, and I desire to voice that sentiment now, be it said, that they did the best they could under the circumstances, and they displayed loyalty and public spirit which deserves the recognition of the people of this country. Unfortunately, however, they were hampered. They were unable to do that which the Government desired and which they were willing to do. How were they hampered? They were hampered by the Sherman law, and they were constrained by the rules and regulations of the Interstate Commerce Commission. Priority shipments were clearly against the provisions of these two methods of regulation. The routing of freight was clearly against the provisions of the Interstate Commerce regulations, and they did under the law the best they could, but it was finally found that it was entirely inefficient, and that in order to render the service that the Government demanded, and in order to serve the public at the same time, it became necessary to do what?

It became necessary in the judgment of the Government itself, and of the committee acting under the authority of this House, to devise some means by which these rules and regulations should either be made lax, made wider, if you please, or entirely abrogated. Perhaps no more explicit and suggestive illustration of this fact can be shown than that of demurrage. There is not a man within the hearing of my voice who does not know that there were thousands of freight cars that were used as storage places. They were filled with freight; they arrived at terminal stations and remained unloaded, not only for days but sometimes for weeks. And the fact was disclosed in the hearings that sometimes these cargoes of freight in these cars were sold and resold, and again sold and resold, without ever being unloaded. All of this resulted, as I am trying to show you, in this great disaster to the transportation systems of the country.

Mr. DENISON. Will the gentleman yield?

Mr. DEWALT. I will.

Mr. DENISON. I was going to ask the gentleman right at that point if he does not think that situation could have been

met by Congress repealing those regulations and suspending the Sherman law?

Mr. DEWALT. It could have been met in that way, and that was suggested by the Interstate Commerce Commission itself, and there were two remedies, one of which you suggest and that which is now proposed. I am frank to admit that, sir. And in this discussion I beg pardon, gentlemen, for desiring, if possible, to answer all pertinent questions which may be submitted to me, disclaiming to have any more knowledge than anybody else has upon the subject, and I am quite sure that if the questions be relevant, material, and pertinent I will receive information and perhaps be able in my modest way to impart some.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. CONNALLY of Texas. Right in this connection, in touching the causes of the congestion, I am interested to know what the gentleman's views are in reference to how far the diversion of traffic from other ports to New York contributed to that condition?

Mr. DEWALT. I think you had better put that, sir, in the other way. "Nondiversion" to those ports would, in my judgment, be a more explicit term. It is true that the port of New York, by the natural influx and reflex of trade in this country, is the greatest port in the country; and it is also true, and shown by the testimony in some of these hearings that the ports of Charleston, Savannah, New Orleans, and Philadelphia, if you please, also included, do not have the terminal facilities that New York has. They do not have the depth of water for large vessels, and the natural consequence is that trade seeks its easiest channel. It is like the flowing of the blood in the human body. If the veins are congested the blood does not readily flow, and the system become affected or possibly ceases its functions. And the question is very pertinent from the fact that if Savannah, Charleston, and New Orleans, and Philadelphia, too, if you please, in my own State, had the terminal facilities and the depth of water, which possibly they have not, a great deal of this freight would be diverted from New York and would go to those other ports.

Mr. WHALEY. Mr. Chairman, will the gentleman permit a question right there?

Mr. DEWALT. Certainly.

Mr. WHALEY. You say the diversion of traffic from those ports was because of the lack of water at those ports. Is it not a matter of fact that those ports have that depth of water?

Mr. DEWALT. I understand the gentleman from South Carolina has received an appropriation quite monumental, in its aggregate, which will give the required depth of water at Charleston.

Mr. WHALEY. I would like to correct that. There is a depth of water already there sufficient to float any ship of the United States or any that England sends over here with the exception of the *Mauretania*.

Mr. DEWALT. I hope it will be increased to a depth of 35 feet and the appropriation in like proportion.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield there?

Mr. DEWALT. Certainly.

Mr. MOORE of Pennsylvania. I think the gentleman ought to advise the committee that Philadelphia has an assured high-tide depth now of 35 feet, and is capable of accommodating twice as much business as goes into that port, and that it has terminal and docking facilities sufficient to take over a vast part of the business that now clogs New York.

Mr. DEWALT. I entirely agree with the gentleman, and yet strange it is that the general public throughout the West has an idea that Philadelphia has not the requisite terminal facilities and the proper depth of water.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Yes.

Mr. GREEN of Iowa. I think the West is not quite that much in error and that they know something about the depth of water at Philadelphia. But regardless of that, is not the gentleman aware of the fact that it is now conceded that a great mistake was made in sending so much freight to New York, and that arrangements have been made for its diversion to these other ports to a very considerable extent?

Mr. DEWALT. I am very glad that is so.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Yes.

Mr. SLOAN. I would say that the misinformation throughout the country as to the port of Philadelphia was in no wise due to a lack of diligence and repeated statements on the part

of the distinguished gentleman from Philadelphia [Mr. MOORE], of whom I have distinct recollections on several occasions as having mentioned, first, that there was such a port as Philadelphia and that the port was made up largely of water, and, second, that it was of great depth, corresponding therewith to his arguments and his speeches delivered here on the floor. [Laughter.]

Mr. DEWALT. Well, I do not want to reply to that at all, except to say this: That the gentlemen who reside in the beloved city from which the gentleman from Philadelphia comes are largely of the Quaker element and are always very modest; they are not like those of the West and they do not blow their horns so loudly. [Laughter and applause.]

Mr. MOORE of Pennsylvania. Of course I thank the gentleman from Nebraska [Mr. SLOAN] and the equally distinguished gentleman from Pennsylvania [Mr. DEWALT] for the fine personal compliments they have paid to me, but I would like the gentleman to permit me to incorporate in his remarks this fact, that Boston has a depth of 35 feet, that Baltimore has a depth of 35 feet, that Philadelphia has a depth of 35 feet, that Charleston has a depth of at least 30 feet, that Savannah has a depth of 30 feet, and so on down the line; as all those ports south of New York are nearer to the West than New York is, it is not strange that people should wonder why all the business of the West and of the South should be concentrated at the port of New York.

Mr. DEWALT. Whatever the reason is, the fact is quite apparent, and the result is the same. I am very glad that my colleague from Pennsylvania has given not only me but the House and the committee the information that it is so important for the people at large to know.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. ALEXANDER. When the gentleman was diverted he was discussing the limitations caused by the accumulation of cars on the sidings and the use of them for storehouse purposes instead of for transportation. That was not caused by any provision of law. That condition might have been remedied by the railroad companies themselves, might it not?

Mr. DEWALT. Yes.

Mr. ALEXANDER. The gentleman also referred to the fact that under the provisions of the Interstate Commerce law—and I think he mentioned section 6—there were certain limitations which prevented the railroad companies from developing their system and making them as efficient as they may be under this legislation.

Mr. DEWALT. I did not mention the section, but that was my idea; yes.

Mr. ALEXANDER. I would like to ask the gentleman to develop that thought and tell us just what those provisions are; in other words, why these roads under private ownership could not be developed and utilized just as well as if those limitations were removed and the roads taken out of governmental control?

Mr. DEWALT. The only question that arises here, if the gentleman will permit me, is this, that in spite of the fact that we have a demurrage system, and in spite of the fact that the Government and the railroads themselves have been very assiduous in collecting this demurrage, the shippers of freight are willing to pay the demurrage in order to have the storage facilities of the cars. They simply laugh at the idea of demurrage, because they think it cheaper to pay the demurrage than to take the freight off the cars in proper time except at that time suits their convenience. That is the truth of it.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Yes.

Mr. AYRES. Is it not a fact that the railroads themselves utilize a great many cars for storage purposes?

Mr. DEWALT. I am sorry to say that I think that is so. I am not here with any bill or brief for the railroad companies, nor do I excuse them at all for their laxity in not enforcing the rules which they themselves have made—and the regulations of the Interstate Commerce Commission. But there is very little use, gentlemen, in decrying these evils or blaming John or James for the existence thereof. We have a condition confronting us, and the question is, How are we to remedy it? Not "Who is to blame?" Not "Why he or it is to blame?" But the blame being here, and the condition existing, the question is, "What is the best thing to do under the circumstances?"

Now, let me proceed for a moment further, leaving that phase of the topic and going to another: Admitting the importance of the subject we are discussing, and admitting, if you please, the necessity for the legislation, as we have tried to point out,

how did the legislation come about? And how is it that we now have before us this bill?

It came about in this way. You will recollect it, perhaps, without any refreshment of your memory on my part. In 1916 there was a bill enacted into law entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes." In that appropriation bill was the following section:

The President, in time of war, is empowered, through the Secretary of War, to take possession and assume control of any system or systems of transportation, or any part thereof, and to utilize the same, to the exclusion as far as may be necessary of all other traffic thereon, for the transfer or transportation of troops, war material and equipment, or for such other purposes connected with the emergency as may be needful or desirable.

That act was passed August 29, 1916, and, gentlemen, I desire to enforce upon your attention this very momentous thing, that although in the judgment of a great many eminent lawyers, some of whom I have consulted, the President, under the provisions of the act of 1916, had the authority and the right then and there to take possession of and assume control of the railroad systems of this country, he did not do that. Why did he not do it? Of course, again I may say, I hold no brief for the President of the United States, but the very fact that he did not do so is evidence to my mind that he was using the best of sound judgment in preparing the country at large for this momentous action when he must take over the railroad systems of the country. I have heard it said here that this was an assumption of authority by the President of the United States that was almost autocratic in its exercise. I grant you we have proceeded along the lines of almost revolutionary processes; I grant you that an old-line Democrat like myself, reared with the idea that the Constitution must be strictly conserved and observed, is sometimes frightened, almost appalled, at these momentous powers that are given to the Executive. But the very fact that the President did not exercise them when he had the right to exercise them, if he saw fit, and that he waited all this time, until it became quite apparent to him and the country at large that it must be done, is good assurance to me that he did not desire and never assumed autocratic powers. [Applause.]

Mr. FORDNEY. Will the gentleman yield?

Mr. DEWALT. Certainly, sir.

Mr. FORDNEY. In section 6, page 9, of the bill there is this language:

From said revolving fund the President may expend such an amount as he may deem necessary or desirable for the purchase, construction, or utilization and operation of canals, boats, barges, tugs, and other transportation facilities on the inland, canal, and coastwise waterways, and may in the acquisition, operation, and use of such facilities create or employ such agencies and enter into such contracts and agreements as he shall deem in the public interest.

Does the gentleman think in order to carry on this war it is necessary that the Government should purchase inland canals that will not admit ships?

Mr. DEWALT. If the gentleman will permit me to answer that question when I get to the discussion of the different sections of the bill, I will be very much obliged; but the power to purchase inland canals is, in my judgment, not contemplated in the act.

Mr. FORDNEY. I shall be very glad to do it.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. DEWALT. No; not for the present. I know the gentleman is very much interested in the subject of inland waterways, and his knowledge is authority on that subject.

Mr. MOORE of Pennsylvania. I do not want to interrupt the gentleman, but should like through him to remind the gentleman from Michigan [Mr. FORDNEY] that hundreds of barges laden with lumber have been using some of the canals referred to, while others have been delayed because the railroads were incapable of taking their cargoes, with the result that ship construction has been held up and the war has not proceeded as rapidly as it should.

Mr. DEWALT. Now, resuming the thought that was in my mind, gentlemen, after this provision in the appropriation bill of 1916 was incorporated into the law, then there was this period of preparation, as I have tried to illustrate. And then there followed what? A proclamation by the President of the United States, in which he said that he would do what?

Take possession and assume control at 12 o'clock noon on the 28th day of December, 1917, of each and every system of transportation and the appurtenances thereof located wholly or in part within the boundaries of the continental United States and consisting of railroads and owned or controlled systems of coastwise and inland transportation engaged in general transportation, whether operated by steam or by electric power including also terminals, terminal companies, and terminal associations, sleeping and parlor cars, private cars and private car lines, elevators, warehouses, telegraph and telephone lines, and all other equipment and appurtenances commonly used upon or operated as a part of such rail or combined rail-and-water systems of transportation.

We then have as a consummation of these facts that I have tried to give you, first, the importance of the legislation; second, the necessity of it; third, the passage of the act of 1916; and fourth, the proclamation of the President of the United States. We have this fact, that now the President is in actual control of the railroad systems of this country. Why do I try to emphasize that statement? I emphasize it, gentlemen, for this reason, that it brings me to the discussion now in regular order of the bill itself. When the President took over the railroads, as we say in popular terms, when he assumed control and took possession thereof, he was taking private property for public use, and, as we all know, the Constitution provides that there must be payment for such taking. The question then naturally came to the mind of the legislator as well as to the mind of the Executive, What means can be best devised to pay this stipulated sum or, if not stipulated, how shall this remuneration be made?

If it were a complete taking over, if it were not only an occupation but a confiscation or a commandeering, which meant not only the use but the actual possession of the property for an indefinite or a definite time, which meant ownership, the question might be easier of solution, because it would amount to an appraisal of the value of the property, an appraisal of the franchise, and other concomitant features which go into such an appraisal, and then a lump sum could be paid by the Government for such taking. But this taking is different. This is the taking of the use for a time. What is that time? For and during the war, and for such a reasonable time thereafter, not exceeding a stipulated time, to wit, two years after the ratification of the treaty of peace.

It therefore became, in the mind of every sensible man who was studying this situation, a startling question as to what should be paid. There were several theories presented. I do not desire at this time, nor do I have the time to cover the several theories that were presented to the committee. But this bill provides a specific method of arriving at what should be paid to the different railroad companies.

Mr. LAZARO. Will the gentleman yield in this connection?

Mr. DEWALT. Certainly.

Mr. LAZARO. In explaining this feature of the bill will the gentleman explain how the British handled that feature of it when they took possession of their railroads?

Mr. DEWALT. I shall be very glad to, as well as I am able, sir. The Government of Great Britain had an act passed in 1871 which gave the Government the right to take over, without any further proceedings, the railroads in the United Kingdom. When the war came, in 1914, the Government took over the railroads. It was first asserted that they did it without any regard or agreement as to compensation, but they did afterwards make an agreement. They made an agreement in the spring after the war in August, 1914. They have continued the operation and extended the power week by week. Instead of for a time limited they extend the power week by week.

Mr. MONTAGUE. Every two weeks.

Mr. DEWALT. Every two weeks is it? Pardon me for saying one. The first system was for a pooling of railroad income. They paid to the lines for operating the amount that they had received for the years 1914 and 1913, dependent in amount as to whether the business of the first six or seven months of 1914 was in excess of the business done in the last six months of 1913.

After pooling all these rates, both for passenger and freight traffic, they divided the receipts in proportion to the amount of earnings the various roads had had prior to that time. That arrangement was again changed for what was called an inclusion of the bonus system. The labor agitation came on, and the laborers on the railroads insisted that they must have higher pay. The Government then said that they would guarantee a 25 per cent increase to the laborers on the railroads, and the amount given to the railroads was not made less by reason of the bonus, for the Government stood for the bonus. That bonus has again been increased 10 per cent and includes not only the male laborers but the females in the railroad offices taking the place of male employees.

Mr. RUSSELL. Will the gentleman yield?

Mr. DEWALT. Yes.

Mr. RUSSELL. I find that there are a number of small railways in Missouri that believe—whether it is true or not I do not know—that the action of taking the larger systems, to the exclusion of the short lines, is going to drive them into bankruptcy. Will the gentleman discuss the wisdom of the order or the law that excludes from operation under the Government of these small roads?

Mr. DEWALT. I will be pleased to do so hereafter.

Mr. DENISON. Will the gentleman yield?

Mr. DEWALT. Yes.

Mr. DENISON. My inquiry is suggested by the reply of the gentleman to the gentleman from Louisiana in reference to the labor troubles in England. I would like to ask the gentleman if he remembers the fact that there was a threatened and impending strike among the railroad employees of this country just before the President issued his program in December?

Mr. DEWALT. I am not certain about that.

Mr. COOPER of Ohio. If the gentleman will pardon me, I do not think there was any threatened strike; they did make a demand for increase of wages.

Mr. DEWALT. I do not think that since the passage of the Adamson bill there has been any threatened strike on the part of the employees of the railroads.

Mr. DENISON. Perhaps it was in the form of a general demand for increased wages.

Mr. DEWALT. There has been a demand for increased wages—the first demand was 40 per cent, but that has been graduated to 20 per cent, and I think gentlemen who represent the railroads and the unions have agreed upon some tentative proposition.

Mr. DENISON. Does the gentleman think that the demand for a decided increase of wages that was made at the time had anything to do with precipitating the action of taking over the railroads?

Mr. DEWALT. I do not think it had a particle of effect. I do not think it was a moving consideration in the minds of either the Executive or his advisers. It is a clear business proposition, and that is all this is, coupled with a legal liability that a party always has when he takes private property for himself, or when the Government takes private property for public use. That is the legal proposition, and it is a business proposition as well. The only question, in my judgment, that there is before this House at this time which is of great moment is how we can best determine what the remuneration shall be, taken in connection with the other things that are concerned with that vital question. If this is so, then let us proceed in the limited time I have to a discussion of the provisions of this bill.

When I spoke of the pay of the railroad companies for the use of their lines I stated in the same breath this legal proposition that when they were deprived, even for a moment, of their property rights, they are entitled to compensation. Whether the time be 1 year or 10 years, the primal question is, What shall be paid?

In this bill the committee has provided for what is known as the standard return. What is the standard return? The standard return can perhaps be best defined by giving you what I have tried to get out of the act itself. It is the annual average railway operating income, including income of lines acquired by lease of or connected with the carrier, between July 1, 1914, and December 31, 1917, for the three years ending June 30, 1917; and the rate per cent to be fixed by the President upon the cost of any additions or betterments, less retirements or road extensions, made during the six months ending December 31, 1917. Now that is the standard return as laid down by this act.

What does it amount to in figures? The net operating income of the roads in class 1—and that includes all the roads whose income was over \$1,000,000 a year—was \$1,020,800,000. That was for 1917. In 1916 the net income of these roads in class 1 was \$984,872,959. In 1915, which was what the railroad companies called the lean year, the net income was \$683,104,833.

Add these three amounts together and you have \$2,688,777,792, and dividing that by 3 you have \$896,254,264, which is the average net operating income for these three years for this class 1 railroad, to wit, the railroads whose annual income was over \$1,000,000 a year. But there were other railroads that were not of class 1, namely, railroads that did not earn \$1,000,000 a year.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Yes.

Mr. BORLAND. How much of the total mileage of the country is included in class 1?

Mr. DEWALT. I am not able to give the gentleman that. The total mileage operated in 1917 on all of the railroads was about 230,000 miles. The total in 1916 was 237,000 miles, in round numbers. I can give the gentleman that exactly, if he will wait a moment.

Mr. BORLAND. I know the total mileage of the country is approximately 250,000 miles, but I was wondering how much of it was included in class 1.

Mr. DEWALT. Perhaps another way of answering the gentleman's question is this: Class 1 earned and received about 96

per cent of the total income of all of the roads, but as to the mileage I can not give you the exact figures.

Mr. CRISP. Would the gentleman mind giving us the per cent that the roads in class 1 earned, or has the gentleman reduced that to percentages?

Mr. DEWALT. That differs so variously and so radically that one could not estimate that; but if this figure were to be divided by the property valuation used in operation by all the roads in class 1, it would give them an average percentage of about 5.6 on their property.

Mr. BANKHEAD. Is that based upon the amount of capital actually invested?

Mr. DEWALT. Yes; their operating property. As I tried to say before the interruption, this figure of \$896,000,000, in round numbers, did not include the average operating income of these roads that were not in class 1, and the Interstate Commerce Commission and others who were advising with the framers of this bill included a sum for them which made the total about \$935,000,000, which is a basis of payment if this agreement is carried into effect by the President of the United States.

Mr. CONNALLY of Texas. How does the percentage for those three years compare with the percentage for the years immediately preceding, say, 1913, 1912, and 1911?

Mr. DEWALT. In some of the years preceding 1912 the gross earnings were larger, though not larger than 1917, because that was the banner year. Nineteen hundred and nine was a lean year, if I recollect; 1912 was a lean year, as the railroad men call it, and the scale of gradation runs up and down, best illustrated by a map that was presented to the committee itself, showing that in some years whilst the gross receipts were enhanced the net income did not materially increase, by reason of the greater expense in operation and the greater cost for material.

Mr. SWITZER. Will the gentleman state about what per cent of this net income finally went to the pockets of the stockholders?

Mr. DEWALT. I can tell that pretty nearly.

Mr. SWITZER. Not all of it, as I understand it?

Mr. DEWALT. Oh, no. The gross earnings of these roads were \$3,824,419,739. The operating expenses, and this will give the gentleman a clue to what he desires to know, were \$2,581,838,511, leaving a net, after the payment of taxes, which amounted to \$1,723,830,714, of \$1,069,750,514, which was for the payment of dividends and for the payment of the interest on the bonds. When the gentleman asked me the question how much went into the pockets of the stockholders and the bondholders, not being fortunate enough to own any stock or bonds of railroad companies, I really can not answer the question.

Mr. SWITZER. Is it not true that a great part of this went back into betterments?

Mr. DEWALT. Some part of it did.

Mr. ESCAL. Mr. Chairman, if the gentleman will permit, this may throw a little light on the question asked by the gentleman from Ohio [Mr. SWITZER]: The bonded indebtedness of the carriers is \$10,000,000,000, on which was paid \$450,000,000, with interest. The amount paid in dividends was from \$250,000,000 to \$300,000,000, and that would leave a balance of possibly \$150,000,000 or \$200,000,000 for surplus, fixed betterments, and so on.

Mr. SWITZER. About one-fourth, then?

Mr. DEWALT. Mr. Chairman, I desire to hurry on, as I have promised, as well as I may, to touch one other question which some gentleman asked me here on the left. Before we get to that, however, how do we ascertain this standard return? The standard return is ascertained, according to the provisions of the bill, by taking the debits and credits arising from the accounts in the monthly reports to the Interstate Commerce Commission. That is the basis, including equipment rents and joint facility rents, and then the standard return also includes the cost of additions and betterments, railroad extensions, and they are to be ascertained by the Interstate Commerce Commission from reports, books, and other data of the carriers, and these are to be certified to the President. What is the result? The result is this, that after you have fixed a basis for the standard return as outlined in one of the provisions of section 1, you determine almost in the same breath how that ascertainment shall be arrived at, and how is it? Not by the railroad companies themselves, not by the President, if you please, not by the Director General, but by the Interstate Commerce Commission from their reports which have been submitted to them by the railroad companies, and which they have supervised, and which, they have ratified. So that there can be no question either about the validity of the ascertainment nor about the justice of the ascertainment, provided always you agree with me in saying that the Interstate

Commerce Commission is a body which is reasonable and just and loyal and conservative of the Government's interests. Now, this certificate as furnished by the Interstate Commerce Commission shall be conclusive as to the amount for the purposes of this agreement.

This same section 1—and I am hurrying along—provides further that Federal taxes under the act of October 3, 1917, assessed for the time beginning January 1, 1918, shall be paid by the carrier or charged against the sum known as the standard return, and other taxes shall be paid out of the revenue derived from the railway operations whilst under Federal control. All taxes before January 1, 1918, shall be paid out of the carrier's funds or charged against the standard returns and deducted therefrom. In other words, the Government will pay the tax whilst it is operating the roads, but the railroad companies will pay the taxes which ought to have been paid or which were assessed against them prior to the date specified and that I have just mentioned.

Mr. LENROOT. Will the gentleman yield?

Mr. DEWALT. I will.

Mr. LENROOT. Is there any provision in the bill in reference to taking care of these taxes except in cases where an agreement is made with the railroad?

Mr. DEWALT. Yes, sir; there is.

Mr. LENROOT. Will the gentleman point it out?

Mr. DEWALT. I will come to that in a few moments. We then follow in this section 1 a stipulation as to maintenance. Everyone knows who is engaged at all with railroad legislation or with railroad operation, or even though he be but a mere traveler upon a railroad, that there must be betterments for maintenance, there must be extensions, there must be repairs, there must be, if you please, the acquirement of new motive power and new cars.

So this section 1 provides that maintenance, repairs, renewals, depreciation shall be considered so that the carriers' property may be returned. How? That the carriers' property may be returned to the owners thereof when this period of Government control is ended substantially in the same condition as when it was taken from them. Certainly no more equitable provision can be had than that. If I take the property of John Jones by right of eminent domain, if you please—but that is not quite a relevant comparison—but if I take the property of an individual for a certain time, with a promise to return it to him, I should return it in the same condition that I obtained it, or I should pay for the depreciation in the value thereof by reason of my use. Therefore, this provision of the bill provides that in regard to maintenance and betterments they shall be substantially replaced to the road in the same condition as it was at the time the Government took the control. Now, further than that, section 1 provides only one important feature, and that is as to nonoperating roads or those in the hands of receivers, and there the President may make such agreements with such corporations as are equitable.

Now, what do we mean by "nonoperating roads"? There were certain roads which were not entirely completed. There were certain roads which were in process, if you please, of stabilization and required betterments, and therefore were not able to operate as going concerns. There were other roads in the hands of receivers, and it was deemed best by the authorities who drew the bill, and also by the committee itself to place in the bill some stipulation to meet that emergency and that condition, and that is met by saying that as to those particular roads the President may make such an agreement as to him seems equitable under the supervision of the Director General of Railroads. Now, that condition contemplates something which is also of very great moment. This lays out the general plan of how the standard return shall be established; it lays out the constituent parts that go into the standard return. It specifies, if you please, that the Interstate Commerce Commission by the reports submitted to it by the railroad companies shall effectually and eventually determine what the rates have been and upon which this standard return is based, and all this contemplates something which is not fully explained unless I say something else to you. What is that? It contemplates an agreement between the railroad companies and the President of the United States. In other words, after the standard return is fixed by this process that I have tried to demonstrate to you, then the President goes to the carrier company and says, "Here is the standard return, fixed according to the reports that you have made to the Interstate Commerce Commission, graduated according to the process that is named in this bill. I offer to you an agreement now that we will pay to you this sum. I can not pay you in excess thereof, but I will pay you that as a maximum amount and I want you to agree with me, as I have taken over the road."

Mr. STEELE. Will the gentleman yield?

Mr. DEWALT. I will.

Mr. STEELE. As I understand the bill, there are two methods of compensation provided. One is the judicial proceeding where the parties can not agree, and the other where they do agree. Now, does the method of the agreement provided here for compensation conform with the legal measure of damages?

Mr. DEWALT. It does, sir. In answer to that let me say this, that in every legal proceeding—as the gentleman knows far better than I do, as I concede to him greater ability as a lawyer than I have ever claimed—as the gentleman well knows, and every other Member knows, the legal standard for the assessment of damages is this: What was the property worth at the time of the taking? That is the general broad proposition. Now, when we come down to pay damages for the use of property, then we have the same standard. What was the use worth at the time of taking? And therefore it follows as a logical conclusion of the answer to the gentleman's question that the legal standard of payment would be what was its use worth at the time, and that is to be determined, how? Why, by what it actually brought in; what it earned.

Mr. TOWNER. Will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. TOWNER. I am going to ask the gentleman this question: Of course, we all agree that the rule established by the courts is when property is taken the value of it must be established at the time when it is taken. When we take over the use the gentleman says that is also to be established at the time of the taking. Is not that, however, subject to this modification, when you come to consider the question of use it must extend over a period of time, and for that reason there is no other standard except we shall take in the preceding years or months or days, or whatever may be proper for the purpose of determining what period of time the use is?

Mr. DEWALT. Certainly.

Mr. TOWNER. So it is hardly strictly true. I will ask the gentleman, to say that we determine the use of the property as of the time of the taking.

Mr. DEWALT. No; but my dear sir, if the gentleman will take in connection that which I have just stated in reference to the establishment of the standard return, he will notice at once that the bill contemplates the taking in the receipts for three years and out of them making an average.

Mr. TOWNER. Yes. We say to the railroads under the terms of this bill: We are willing to determine its use by this standard which we offer you. Now, you have the right to take it or refuse it—

Mr. DEWALT. I am going to come to that in a moment. I will now yield to the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. I take it from the gentleman's argument that some of these roads are not receiving the same income that others are receiving.

Mr. DEWALT. That is certainly so.

Mr. DOWELL. There are two methods that are adopted: One is by agreement and the other a remedy in the courts. Is it not true that the roads receiving the large incomes under this provision will accept the agreement and those receiving a less sum will refuse the agreement and obtain theirs through the courts?

Mr. DEWALT. Well, in answer to that, I would say to the gentleman that there is nothing more dangerous in the world than prophecy. I have never yet been able to prophesy as to what I myself would do on the morrow, and I can not tell what they would do the next day.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DEWALT. May I have 15 minutes' additional time?

Mr. SIMS. I yield 15 minutes more to the gentleman.

Mr. DEWALT. I am sorry, gentlemen, if I have wearied you, and I apologize for taking all of the time that I have taken.

I proceed now, gentlemen, to section 3 of this bill, which provides that in case the President of the United States and the carriers are not able to agree, then what follows? The scheme is carried out. First, we try to agree with the carrier companies. The reason for that is that we desire by this bill to prevent litigation, and certainly nothing could be more desirable at this time than to prevent and forestall, if you please, litigation. And so every means is to be used by the executive authority to arrive at this agreement.

But suppose the carrier company says, "We will not agree," or suppose the President says that the demands are excessive according to the circumstances, or the standard return, if you please, in regard to this one particular road is excessive at this particular time; and the parties to this agreement do not agree?

In other words, they agree to disagree. Then what follows? The bill then provides that three referees shall be chosen. Chosen by whom? Not by the President; chosen not by the carrier companies, but chosen by an impartial body, namely, the Interstate Commerce Commission. And these three men then shall determine the rights of these contending parties. The bill also provides that any member of the Interstate Commerce Commission may serve as a referee or that anyone connected in official capacity with the Interstate Commerce Commission also shall have the right to serve if chosen. If then the reference is made, which is compulsory, of course, and the parties do not agree, what follows? Still the rights of the corporation are preserved, and still the rights of the Government are preserved. How? By referring the matter for final adjudication to the Court of Claims. That is the last resort; but the whole design of this bill—the whole desire, as expressed throughout the bill—is to prevent as much litigation as possible, and to keep these railroad companies and the executive authority of the United States, and the Government itself, in such a position that litigation will not be necessary. I need not emphasize the importance of that, gentlemen. It is apparent to the mind of everyone who knows anything at all about the subject. Litigation—unprovoked, perhaps, in some instances; provoked in other instances—might possibly lead to the disruption of the transportation systems on the one hand or financial disaster on the other.

I pass over section 4 and section 5, although I have them noted here and would like to discuss them, and come down to the question of what is known as the revolving fund, which is section 6.

This bill provides that \$500,000,000, not otherwise appropriated, shall be appropriated for the purpose—of what? The expression is very clear in the bill. The revolving fund of \$500,000,000 is for operating expenses, and with the revenue derived from the operation of the road shall be used—for what? For just compensation of the railroads under control, or terminals, motive power, cars, equipment, and so forth. And the President may do what else? The President may order the road to make betterments and road extensions, and so forth, for road purposes, and may advance the cost thereof from the revolving fund for such betterments and extensions, and charge the same up against the carrier.

Now, I have heard some gentlemen in committee, as well as out of it, say, "Oh, well, this will inevitably lead to this, that the railroads will receive these betterments, receive these extensions, will receive these large improvements, at the expense of the Government, and then when the railroads are turned over they will have the benefits thereof without payment to the Government." No more ridiculous statement was ever made by anyone in regard to the provisions of a bill if he reads and syllabizes the bill itself. Because the revolving fund is specified at \$500,000,000, and the revenue derived from the operation of the roads by the Government shall be taken for the purpose specified, to wit, for betterments and improvements, and for the payment of a just compensation to the roads, and, more than that, the President can order and direct that these betterments and improvements shall be made and charged up against the standard return.

I pass now to the question that was asked me in reference to the short-line railroad by the gentleman from Missouri [Mr. RUSSELL]. And permit me to say that I believe that portion of the controversy is no longer one that need agitate the minds of those who are interested in short-line railroads. Section 9, referring to this matter, is as follows:

That nothing in this act shall be construed to affect the routing instructions—

And I emphasize "routing instructions"—

over, and the traffic arrangements—

Emphasizing again, "traffic arrangements"—

of such railroads as may not be taken under Federal control by the President unless such arrangements and instructions prejudice—

What? Here are the two exceptions—

the transportation of war materials or of Government supplies; in which cases—

And only in which cases, according to the provisions of this section—

the President may change the routing of such materials and supplies as the war and national interests demand.

And certainly that is a wise and patriotic provision.

And now, further:

If the President should deem it necessary temporarily to suspend such arrangements and instructions as to freight other than war materials and Government supplies he may thereafter, so far as practicable, cause to be diverted—

What?—

sufficient unsorted freight to such road as will compensate it in revenue for such temporary suspension.

Mr. RUSSELL. Now, that is the best provision that has been made there that is possible under the circumstances, and that is when the road is not taken over; but you notice that the section reads that the President may, as far as practicable, re-route other freights that might make up the loss to that road. But the mere fact that that may not be done, as I am informed, has already tended to reduce the value of stocks and bonds of some of these smaller lines, very much to their injury, I am informed, and they fear may result in driving them into the hands of receivers and into bankruptcy.

Does not the gentleman appreciate that there is a possibility of very great injury being done to those smaller lines if they are not taken over?

Mr. DEWALT. I do. One gentleman who appeared before the committee was president of one of the so-called short lines and the receiver of another; I think he came from Pittsburgh. His name I have forgotten. But he emphasized to the committee this important fact, saying in substance: "I am speaking for these short-line roads, in which I am interested, and there are others who take the same view. I, speaking for them, desire only two things: First, that their traffic arrangements, as now provided for by the Interstate Commerce Commission, shall remain practically as they are, to wit, that we shall be entitled to a proportionate rate for the service we have rendered; and secondly, that if there be freight diverted from our lines as feeder lines to trunk lines, we receive such rate in return, if it is possible to give it to us; and third"—which I do not think has been mentioned in the argument at all by anybody who has asked me a question—"that motive power and transportation facilities be given us as heretofore."

That is all they seem to be interested in, and it was with that view that this provision was drawn. And it was drawn, I believe—although I am not authorized to say so positively—by gentlemen who are interested in the short lines. I appreciate fully that these short lines are built, capitalized, and owned largely by local stockholders in the localities in which they are constructed.

Mr. RUSSELL. I understand, if the gentleman pleases, that there are about 800 of these short lines in the country?

Mr. DEWALT. I so understand.

Mr. RUSSELL. Several of them are in my district, built by the local people. As this great harm will come to them, I wondered why that situation should not be remedied so as to include them.

Mr. DEWALT. The only remedy, in my judgment, would be to take them all over; and there, I fear, the remedy would be worse than the evil.

Mr. LENROOT. Mr. Chairman, will the gentleman yield there?

Mr. DEWALT. Yes.

Mr. LENROOT. The language is, "That nothing in this act shall be construed so as to affect the routing instructions over and the traffic arrangements of such railroads as may not be taken under Federal control by the President." and so forth. I want to ask is there any other language but that which would affect those traffic arrangements? And, if it does not, does it not leave this language meaningless?

Mr. DEWALT. Oh, no; there is something in this act that might possibly lead to a different conclusion.

Mr. LENROOT. What?

Mr. DEWALT. There is a provision in the act itself to the effect that the President of his own initiative may route freight.

Mr. LENROOT. There is nothing about traffic arrangements.

Mr. DEWALT. Routing freight is traffic arrangements. I believe that provision is in the bill.

Mr. WATSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. WATSON of Pennsylvania. I want to give a practical illustration of a road which I know something about, it being a short-line road. A member of the Interstate Commerce Commission recommended that the Government should operate the road. The Secretary of the Treasury made the reply that "We have no money to operate small roads, and the President can deal with it as he deems wise." I therefore take it that the Government will not have anything to do with small roads. Am I correct in that?

Mr. DEWALT. I would not go quite as far as that, sir. I should think that the Government would have something to do with short-line railroads, and I appreciate very much the suggestion made by the gentleman from Missouri, Judge RUSSELL.

Mr. WATSON of Pennsylvania. But Mr. McAdoo said not.

Mr. DEWALT. Mr. McAdoo illustrated it by saying:

We are calling into the draft service of the United States at this time those who are most efficient for service in the war. We want fighters, and we do not want cripples. Therefore I say to the railroads generally, "We want railroads that we can use, and we do not want railroads that we can not use."

Mr. WATSON of Pennsylvania. Then the small railroads must suffer?

Mr. DEWALT. Oh, no. That does not follow at all, because by the provisions of this bill I maintain, and they themselves maintain, that they are taken care of as far as possible.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. LAZARO. On day before yesterday the gentleman from Alabama [Mr. BURNETT] asked the chairman of the committee this question—it is short:

Mr. BURNETT. As I understand from your bill, you give this power to the President? That is, he may exercise it in regard to rates on railroads that are entirely inside of the border of a State, where the freight is entirely intrastate freight. Would not that absolutely, by this kind of legislation, destroy the power of the State railway commissions to fix intrastate rates on intrastate railroads, and so forth?

I would like to have the gentleman's opinion of that.

Mr. DEWALT. That raises a very important question. Some of these lines will not be taken over, and perhaps a number of them that are not small roads. So far as those roads are concerned that have to do with interstate commerce, they will certainly be governed by the Interstate Commerce Commission itself. You grant me that, do you not?

Mr. LAZARO. Yes.

Mr. DEWALT. The roads that are engaged entirely in intrastate business will, of course, be covered by the State commissions. But permit me to say that upon investigation it has been determined, at least it was so affirmed before the committee, that there were only three or four railroads in the United States that are exclusively devoted to intrastate traffic, and the reason for that is this: That if there be a car upon a road that carries any freight from Ohio to Pennsylvania or from one State through another, it is interstate traffic, and therefore if it gets on that line, it is interstate traffic.

I beg your pardon, gentlemen, for taking up so much time. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DEWALT. I ask unanimous consent, Mr. Chairman, to extend and revise my remarks.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. SIMS. Mr. Chairman, will the gentleman from Wisconsin [Mr. ESCH] now use some time?

Mr. ESCH. Mr. Chairman, I come to the consideration of this question with a good deal of misgiving, owing to the importance of it and the complexity of the problem presented.

The committee, after five weeks of hearings and arguments, reports out this bill for consideration. It meets with the general approval of the committee, with possibly two or three major exceptions. No doubt some of the sections of the bill to which no attention has been directed in general debate ought to be amended in order to more clearly express the purpose of the bill and to make it more workable and more effective.

I am one of those who believe that we should have taken over control of the carriers even sooner than we did. As was stated by the gentleman [Mr. DEWALT] who just preceded me so clearly and so logically, the President took control over the roads under the act of August 29, 1916. That act was purely a war measure and gave to the President war powers. Of course, from the day of its enactment the President might have taken over the roads; but we were not at war and there was really no necessity for the President to take them over until we ourselves became involved in the struggle.

Even at that time, on the 6th of April, there were many notes of warning that the administration might well have heeded, and that would have justified the taking over of the roads. The carriers themselves realized the necessity of prompt and united action, for on the 11th day of April, five days after war was declared, their chief executives met and passed a resolution, declaring, among other things, that "during the present war they would coordinate their operations in a continental railway system, to produce a maximum of national transportation efficiency."

A committee was appointed to carry out the object of the resolution, but effective powers were not given to it. It did not create that continental system that the needs of the country required and that the war-traffic conditions made necessary. It did much, and I here willingly grant them all need of praise for what they did accomplish in inducing shippers to load and un-

load their freight speedily, in inducing them to increase the car loading, and in adopting plans and policies which resulted in expediting traffic. But there was still no real continental system of control, no directing of all energies to one common purpose—the winning of the war. No committee with full powers to pool equipments was appointed until November 24, last, more than seven months after war began.

On the 17th day of November Mr. Anderson, one of the Interstate Commerce Commissioners, was requested to consider the framing of a bill for the taking over of the roads. Doubtless information of such proposed action may have come to the railroad executives. They met on the 24th, a week later, created a committee of vice presidents, sent them to Pittsburgh, and gave them, so far as they could do it, full powers of pooling equipments for the handling of all freight east of Chicago. This indicates to my mind that the railroad executives had begun to realize that there were still greater burdens for them to carry, and that greater sacrifices of the individual interests of their respective roads must be made, to the end that through complete unification and cooperation Government possession and control alone might be averted.

One week after this committee met at Pittsburgh, on the 1st day of December, the Interstate Commerce Commission sent to Congress its special report, in which two alternatives were presented: First, that there might be a repeal of all prohibitory statutes, such as section 6 of the interstate commerce act prohibiting pooling and the antitrust acts against combinations; or, second, that the Government should take control and possession of the roads under the act of August 29, 1916. On the 28th of December the President, adopting the alternative of Government control and possession, issued his proclamation taking over the roads. When this proclamation was issued a duty devolved upon Congress immediately to provide compensation for the roads taken over. As Judge DEWALT, the gentleman from Pennsylvania, has already explained, the act of 1916 contained no provision for compensation, and the Government under the Constitution could not take over this or any other property without just compensation. This bill makes provision for compensation for the carriers that are taken over. Section 1 of the bill relates entirely to the amount of the compensation and the plan by which it is to be ascertained. Before our committee several plans of compensation were presented by various witnesses. One plan suggested was that compensation should be based upon the value of the roads as disclosed by the market prices obtained for their stocks. The committee did not consider that the market value of the stocks of the carriers was a stable or just standard of the value of the properties, because stocks were subject to fluctuations, largely because of speculation therein, and that increases in market values of stocks did not reflect always increases in the property valuation.

Mr. Kruttschnitt, of the Southern Pacific, cited this instance in demonstration of the truth of the statement I have just made, that 10 years ago the stock of the Southern Pacific sold at 130, while on the day on which he testified it sold for 75, and that, too, notwithstanding the fact that during that 10-year period the road had put into its property \$400,000,000, so that its property or investment value had increased 50 per cent in the 10 years, while its stock had depreciated 42 per cent. The committee did not believe the market value of stocks to be a fair or just basis for the fixing of compensation under this bill.

Another plan was suggested by Mr. Plumb, the representative of the railroad brotherhoods. Under it the carriers were to receive the standard return as provided in the bill, but that the Interstate Commerce Commission should proceed, as soon as possible, to ascertain the true value of the railroads of the United States, and that when determined the compensation should be fixed at a certain percentage of the valuation so found. The objection made to this plan of compensation lies in the fact that the physical valuation of railroad properties can not be completed until 1921. Judge Prouty, the director of valuation of the Interstate Commerce Commission, appeared before us and so stated. That being the case, the final valuation upon which the percentage was to be based would be deferred for a period of three years, and the war may be ended by that time.

Another basis of compensation was presented by myself, through an amendment offered in the committee. The amendment is as follows:

*Provided, however,* That the standard return to any such carrier whose average rate of net income to capital stock for the years aforesaid has been more than 5 per cent shall not exceed the net railway operating income for the year 1917, after deducting therefrom the amount available out of earnings for investment and surplus: *Provided, however,* That this further limitation shall not reduce the net income (above all operating expenses, taxes, interest, and all other fixed charges) of any such carrier below what is required to meet the regular dividend accruals on all capital stock outstanding December 31, 1917. The surplus over and above the aforesaid standard return shall be

divided as follows: One-half shall go to the company earning such surplus, and the balance shall be paid into the revolving fund created by this act. All of said surplus and all property constructed out of or purchased by the same shall belong to, and shall be held in trust for, the public, and no return to any railway company or its assigns shall ever be paid thereon.

In my opinion there is nothing in this bill that will be a sufficient incentive for the carrier to promote the highest output in transportation. The carrier under the general guarantee herein provided does not care whether his road carries 10 or 15 per cent more traffic this year than it did in the years when it was under private management, because it is assured its standard return, based on the operations for the three preceding years. Its officials might say, "Why, the less traffic our road handles, the less wear and tear there will be upon its rolling stock and tracks." If we can give to the carrier a portion of the surplus, we will give the prod to efficiency. One fear I have as to the bill as we now have it is that there will not be that incentive to efficiency which is so necessary for the successful operation of the roads in war time.

Mr. GORDON. Mr. Chairman, will it interrupt the gentleman if I ask him a question?

Mr. ESCH. No; go ahead.

Mr. GORDON. The gentleman has called attention to the fact that the market value of the stock of the Southern Pacific had dropped from 130 to 75, notwithstanding the fact that they had invested \$400,000,000 in the road. But did he say anything about the amount of stock and bonds that had been issued in the meantime?

Mr. ESCH. No; he made no statement of that kind.

Mr. GORDON. Would not that be a material factor affecting the price of the stock per share?

Mr. ESCH. As I recollect, the Southern Pacific reorganization occurred some years ago and there has been very little addition to the capital stock. So the purpose for which he cited the figures would be pertinent.

Mr. GORDON. If there had been an abnormal issue of stock, did the committee obtain information as to the extent of the increase of stock when there has been no extension of the line?

Mr. ESCH. There are tables printed in the hearings giving capitalization year by year for the last 10 or 15 years.

Mr. ALEXANDER. Did he state the earnings during these corresponding years?

Mr. ESCH. The earnings increased, but the expenditures increased at a more rapid rate. I may say that that has been the experience of many roads.

Mr. RAMSEYER. Will the gentleman yield?

Mr. ESCH. I will.

Mr. RAMSEYER. The gentleman used the term in explaining his proposed guaranty "regular dividends" of the road. What does the gentleman mean by "regular dividends"? Over what period would he continue them?

Mr. ESCH. Over the period of three years, the same we are using in the bill itself.

Mr. RAMSEYER. Would not that mean the same as the bill provides for?

Mr. ESCH. Yes. The gentleman from Pennsylvania, who preceded me, gave the result in dollars and cents of the operation of the bill by applying to carriers the standard return therein provided. It is not my purpose to duplicate the figures that he gave. I make the average for the three years on the roads of class 1, \$896,000,000, in round numbers. If we add the operating income for class 2 and 3 roads, we will make a total of \$935,000,000.

The bill, as you will notice, provides that in addition to the standard return for the three years prior to June 30, 1917, there should be added a percentage—the rate to be determined by the President—on the cost of additions, betterments, and road extensions made during the six months ending December 31 last. That cost was \$130,000,000, and 5 per cent thereon would amount to six and a half million dollars, which, added to the \$935,000,000, would make a maximum guaranty of \$941,500,000 for which the Government would be obligated.

Out of this sum the carriers must pay their excess-profits tax, estimated all the way from \$50,000,000 to \$60,000,000. Even with this deducted there would still be about \$900,000,000 which the Government would have to stand for in carrying out section 1 of this bill, to apply on interest and dividends. There are \$10,000,000,000 of bonded indebtedness of the carriers of the United States. That represents about \$450,000,000 of interest that, deducted from the \$900,000,000 of the guaranty, would leave about \$450,000,000 for dividend purposes. Four hundred and fifty million dollars on the capitalization of the roads as of last year—\$7,000,000,000—would represent something like 7 per cent. If we take the whole capitalization of stocks and bonds,

then this guaranty would represent on the capitalization about 5.63 per cent and upon the book value only 5.19 per cent.

Mr. HARDY. Will the gentleman yield for a question?

Mr. ESCH. I will.

Mr. HARDY. In ascertaining that percentage of income on the stocks and bonds, did not the gentleman omit from the estimate the fact that these bonds had been allowed \$450,000,000 on the income?

Mr. ESCH. Oh, yes. The amount of the return provided by this bill applied to the total capitalization would represent 5.63 per cent.

Mr. SWITZER. Will the gentleman yield?

Mr. ESCH. I will yield to the gentleman.

Mr. SWITZER. The gentleman does not mean that that is actually paid out?

Mr. ESCH. No; dividends may be earned but not always declared. A large share of the surplus may be used for dividends or be used for additions, betterments, or road extensions.

Mr. SWITZER. Does the gentleman know what part of this is for that purpose?

Mr. ESCH. No; I can not state.

Mr. SNOOK. Will the gentleman yield?

Mr. ESCH. I will yield to my colleague.

Mr. SNOOK. The gentleman has made a statement about the value of stocks and bonds of these roads, and also the value of the capital. I believe he stated that the capital issued was about \$7,000,000,000. He would not say that that came anywhere near, in his opinion, representing the value of the money invested in the roads?

Mr. ESCH. Not at all; and I did not so state.

Mr. SNOOK. I call my colleague's attention to that because a speech made by some gentleman here left the impression that this standard return provided for in section 1 of the bill would yield an income on the money invested of over 8 per cent to the railroads. That would not be so, would it?

Mr. ESCH. It depends on how you figure that.

Mr. SNOOK. If the value of the roads is anything like what it is believed to be.

Mr. ESCH. If you take the total valuation, it could not be 8 per cent.

Mr. SNYDER. Will the gentleman yield?

Mr. ESCH. I will.

Mr. SNYDER. The gentleman stated a moment ago that the Government would have to stand for \$900,000,000 guaranty. Of course, it is contemplated that under the Government management the roads will earn at least as much as they earned heretofore; and if they do, the Government will not have to stand for anything, will it? The roads will earn the money and ought to be entitled to the same compensation that they have had heretofore.

Mr. ESCH. By "standing for it" I meant that that was the guaranty. The roads are doing the business as they have heretofore, and the amount of money they take in is being disbursed currently, as if there had been no Federal control.

Mr. SNYDER. If they do earn the same as they earned heretofore—

Mr. ESCH. The Government will not be out, but I have not such confidence that that will be the result. I am very fearful that under Government control there will be an increase of wages, and in fact the wage board is now considering that very question. There will be an increase in the cost of materials, and when you add those increases of cost I expect to see the Government's liability increase. On the other hand, economies are prophesied under Federal control, because competition will be eliminated.

Mr. CARTER of Oklahoma. May it not also be said that there will be an increase in rates to compensate for these things the gentleman is speaking about?

Mr. ESCH. If the bill remains as it is now written, with the power claimed by the Director General to make and initiate rates, I feel confident that there will be increases of rates, and the trouble with that provision of the bill making the Government a guarantor of the standard return is that the Government would be induced to increase the rates to lessen its liability under its guaranty.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. LONDON. Is there any available information as to the number of stockholders and the character of their holdings?

Mr. ESCH. Some information was given as to that, and, as I recollect the figures, there are about 600,000 stockholders in the United States.

Mr. LONDON. How is the stock distributed among them?

Mr. ESCH. The holdings, on the average, are very small.

Mr. SIMS. Dividing the whole volume by the whole number of stockholders the average holding is thirteen thousand and odd dollars.

Mr. ESCH. That would imply that there are some holders that have very large blocks of stock, if the average is \$13,000.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. AYRES. The gentleman made a statement that he thought it would be an inducement for the Government to raise the rate for the purpose of—

Mr. ESCH. Lessening its liability under the guaranty.

Mr. AYRES. Is it not a fact that the railroads for months and months have been carrying on a propaganda creating a sentiment also to have the rates raised many hundreds of thousands of dollars?

Mr. ESCH. Not only a propaganda, but actual cases before the commission, known as the 15 per cent advance rate cases, which were heard last March and April, and as to which a finding was made in June allowing a 5 per cent increase on certain traffic in eastern classification territory and allowing an increase of 15 per cent on coke, coal, and iron, and those hearings were reopened last October because of the changed condition of the financial returns on the part of the carriers, but the commission made no final determination as to the hearings had in October.

Mr. SMITH of Michigan. Is it not true that since the war the earnings of the railroads have been abnormally high, due to the increased business and the traffic?

Mr. ESCH. Yes; I think that can be very safely stated.

Mr. PLATT. President Hadley, of Yale, I think, in his book on railroad transportation, says practically that the railroad corporation is a corporation of the small investor. Would the gentleman say that that is practically true?

Mr. ESCH. No; I think not. Only a few men and a few powerful financial institutions, mainly banks and trust companies, have the destinies of the railroads of the United States in their hands.

Mr. PLATT. But when these men die we usually find that they have only a very few shares and that they have their control through proxies.

Mr. ESCH. That is the trouble with the railroad situation to-day, that they are controlled by men who are directors and, in many instances, have holdings of only from one to five shares of stock, sufficient to qualify as directors; and it is one of the weak spots in the management of the carriers that they are controlled by men who have not a direct and a very vital financial interest in the property that they are trying to carry on.

Mr. MOORE of Pennsylvania. May I say to the gentleman that recent statistics published by the Pennsylvania Railroad Co. show that they have over 100,000 stockholders?

Mr. ESCH. Yes. Does the gentleman know the average amount of the holdings?

Mr. MOORE of Pennsylvania. I do not; but the point is made of the fact that those 100,000 stockholders are made up largely of women.

Mr. ESCH. There was a statement made before our committee to the effect that so many women and children held these railroad securities—

Mr. GORDON. And orphans.

Mr. ESCH. And orphans, that there ought to be special consideration given to them, and that safeguards should be thrown around their holdings. Mr. Plumb presented, however, a table showing the proportion of total stock held by 10 leading stockholders in principal railway systems in 1915. The table is as follows:

Proportion of total stock held by 10 leading stockholders in principal railway systems, 1915.

Name of road.	Total stock outstanding.	Stock held by 10 leading stockholders.	Per cent.
Pennsylvania R. R.	\$306,457,848	\$27,327,000	5.40
Baltimore & Ohio	210,811,885	45,923,100	21.78
New York Central	247,533,514	69,967,700	28.03
New Haven	157,117,300	21,386,500	13.61
Philadelphia & Reading	42,481,700	42,481,631	100.00
Erie	176,271,300	37,401,300	21.22
Delaware & Hudson	42,503,000	3,644,600	8.57
Delaware, Lackawanna & Western	42,291,120	13,031,300	30.83
Chesapeake & Ohio	62,786,000	12,166,900	19.38
Norfolk & Western	131,146,200	64,577,600	49.24
Western Maryland	59,428,098	37,672,100	63.39
Wabash	92,104,127	—	64.55
Lehigh Valley	60,608,000	9,935,550	16.39
Southern Railway	185,650,200	87,576,900	47.17

<sup>1</sup> In hands of receiver.

Proportion of total stock held by 10 leading stockholders in principal railway systems, 1915—Continued.

Name of road.	Total stock outstanding.	Stock held by 10 leading stockholders.	Per cent.
Illinois Central.....	\$109,291,717	\$38,592,600	35.31
Atlantic Coast Line.....	68,754,700	26,105,100	37.97
Seaboard Air Line.....	60,913,500	35,017,100	57.49
Denver & Rio Grande.....	87,775,670	47,498,700	54.11
Missouri, Kansas & Texas.....	76,309,857	29,447,900	38.59
Missouri Pacific.....	82,702,585	10,735,100	12.98
Chicago, Milwaukee & St. Paul.....	233,201,900	23,371,400	10.02
Chicago, Rock Island & Pacific.....	74,875,200	14,166,300	18.92
St. Louis & San Francisco.....	90,671,762	.....	.....
Union Pacific.....	321,835,100	50,192,800	15.60
Northern Pacific.....	247,846,000	31,038,000	12.52
Grand Trunk Western.....	6,000,000	6,000,000	100.00
Chicago, Burlington & Quincy.....	110,539,100	110,040,100	99.28
Southern Pacific.....	272,674,406	53,573,800	19.65
Great Northern.....	249,129,962	31,222,000	12.53
Chicago & North Western.....	152,509,500	24,391,400	15.99
Canadian Pacific in Maine.....	2,273,000	.....	.....
Atchafalpa, Topeka & Santa Fe.....	314,663,230	34,078,100	10.83

<sup>1</sup> In hands of receiver.

Mr. STEVENSON. Mr. Chairman, I want to ask the gentleman a question about the matter of rates. He suggested that the Government would possibly raise the rates. I notice that the bill provides that the Government shall initiate rates only on roads controlled by it?

Mr. ESCH. Yes.

Mr. STEVENSON. The Interstate Commerce Commission, as I understand it, will retain jurisdiction of the uncontrolled roads. Is that the idea?

Mr. ESCH. Yes.

Mr. STEVENSON. If the Government relinquishes control of a large number of the roads on which the Government has raised the rate, and fixes a rate on the controlled roads different from that obtaining on the uncontrolled roads, how are we going to coordinate? How is the shipper going to know, if we have two sets of rates on two different roads? When a man wants to ship on two different roads, with that condition, how will he be controlled in making his through rates?

Mr. ESCH. The gentleman can settle that situation if he will vote for amendments to be offered upon our side leaving the initiative of rates where the initiative now is.

Mr. STEELE. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. STEELE. The gentleman a few moments ago referred to the act of 1916 giving the Government a right to control the railroads. Under the word "control," as contained in the act of 1916, does the gentleman think the power to establish rates is given to the President?

Mr. ESCH. I do not. I think it raises a very grave constitutional question, and in connection with that I wish to read what Senator THOMAS said last week in the Senate in regard to this very paragraph of the act of August 29, 1916, under which the President took over the roads. Senator THOMAS is the author of that paragraph of the act of 1916. Here is what he said:

I had no intention of making it so operate as to invest the President with anything more than the power to control the possession of the physical property of the railroads for war purposes.

Indicating that in his mind there was to be no power given over the rate problem. That power was to be left where it now is. The power he intended to confer was only as to the physical control over the property for war emergency.

Mr. STEELE. I think the gentleman will agree that the question is not what was in the Senator's mind at the time, but what is the proper conclusion of the language as used.

Mr. ESCH. And judging from the Senator's interpretation of his own language he, I, and the gentleman agree.

Mr. SMITH of Michigan. Will the gentleman yield—

Mr. ESCH. I will.

Mr. SMITH of Michigan. For just one more question. If the railroads have all the business they can do and all the traffic they can carry and are earning more now than they have heretofore and are not paying their dividends or making expenses, how do they expect in the future to pay this increased rate or pay the indebtedness that the Government will be put to in taking over the railroads?

Mr. GORDON. They do not expect to pay it; they expect the Government to pay it.

Mr. SMITH of Michigan. That might be true before this abnormal condition came about by which they have been doing more business than they can transact, and still they can not pay the rate.

Mr. ESCH. That condition of a surplus of business is not widespread over all the railroads of the country. There are some railroads that could do vastly more business than they are doing, but the congestion is where they are all trying to run through the neck of the bottle.

Mr. SMITH of Michigan. I am obliged to the gentleman for speaking about that congestion at the neck of the bottle. I have heard it stated that in the shipment of coal they could not get through the cities of Pittsburgh, Detroit, Chicago, and other places because of the congestion of coal on cars which they could not move at those places, while the people at those places were freezing for the need of coal, right there in those cities.

Mr. AYRES. Will the gentleman state what caused that congestion?

Mr. SMITH of Michigan. They say it was a congestion; why could not they take those cars—

Mr. AYRES. Was not the railroad company using those cars for storage for railroad purposes in many instances?

Mr. ESCH. Gentlemen, I have got to discuss two points to this bill. One relates to section 11, covering the powers of the Interstate Commerce Commission as to rates, and the other to section 14, relating to the term of control. I am firmly convinced that we will make a mistake if we leave section 11 with relation to the powers of the Interstate Commerce Commission as now written. I believe we should not change the existing law with reference to the commission. I certainly object to giving to the President the right to initiate rates, even though it be coupled with the right of making complaints before the commission, the commission to pass upon the justness or reasonableness of such rates, where the veto still remains in the President, notwithstanding the recommendation of the commission.

Where the President initiates a rate we are revolutionizing rate making as it now exists. Under the existing law the carrier files a schedule for increases with the commission, and before it is approved the commission must investigate on its own motion or upon complaint before it can be filed. The right to suspend the rate remains, but when you give to the President the right to initiate the rates they become effective at once, without opportunity for consideration or examination by the Interstate Commerce Commission. Suppose the President should initiate the rate. Suppose complaint was made and the commission found the rate to be unjust and unreasonable, and the President agreed with the commission's recommendation. There will be hundreds of people, possibly, who paid the rate that had been initiated by the President and which was found by the commission thereafter to be unjust or unreasonable. That would give rise to a vast number of claims for operation. Those shippers who paid that rate would feel that they were entitled to reimbursement, and yet, knowing that the President had initiated the rate, knowing the delays in securing reparation, they would forego their action for reparation and would suffer the loss. I do not believe, gentlemen, there should be given to one man this tremendous power. The gross earnings or the total business of the carriers of this country amount to about \$4,000,000,000 in a single year. To give to an individual the power to determine rates over such a tremendous traffic as that is a power no nation that claims to be a democracy should grant. Why, no nation that is at war to-day has given to any individual in it the power to make rates.

Mr. SIMS. Will the gentleman yield for one question?

Mr. ESCH. Yes.

Mr. SIMS. Have not we pledged in our declaration of war all our resources to the successful prosecution of the war to the President himself? Now, the gentleman is not willing to trust what he calls a tremendous power simply to initiate a rate and maintain it if he thinks it is necessary in order that the President may do that which we have authorized him to do.

Mr. ESCH. If the gentleman's contention is correct, then we should give to the President in a war emergency the power to raise money, the power to fix our customs duties, the power to fix our internal-revenue taxation, the power to fix postal rates.

There is no one here that would have the hardihood to claim that we should abrogate our functions and give to the Chief Executive such tremendous power. [Applause.]

Mr. SIMS. Another question in that connection. Do you not believe if it was necessary to win this war to give him the power to levy taxes and revenues, you would do it without hesitating?

Mr. GORDON. If you would, you would violate your oath of office. [Applause and laughter.]

Mr. PLATT. I was going to ask the gentleman if he thought the power to fix the price of transportation was any greater power than the power to fix the price of food as we did. It is not as great and no more taxation, either.

Mr. DOREMUS. Will the gentleman yield for a question?

Mr. ESCH. Yes.

Mr. DOREMUS. I was going to ask my colleague of the committee if he does not make a distinction between clothing the Executive with power to fix taxes at the customhouse and clothing him with power to fix the rates upon the railroads? In other words, would not one be a clearly unconstitutional exercise of power while the other would be within the Constitution?

Mr. ESCH. Whether constitutional or not, I do not think it would be wise to give any one man the power of fixing the rates on the traffic of the United States, for the fixing of rates is a species of taxation, and no single individual should be given that power.

Mr. DOREMUS. Does my friend question the constitutional power of Congress to delegate to the President the power to fix transportation rates?

Mr. ESCH. I think we could delegate the power. I am protesting against the unwisdom of the delegation of such power and have tried to show in the argument I have thus far presented that it might result in loss and damage to the shipping interests of the country. I do not know whether we realize what a sensitive structure the rate structure of the United States is. The change of a single cent per hundredweight may change terminal markets and bring loss to numerous industries. To give this power to a single individual, without investigation, to fix the rates, seems to me to invite disaster. We ought not to do it, because it is not necessary, gentlemen, in the successful conduct of the war to turn over the rate-making power to the Chief Executive.

Mr. MOORE of Pennsylvania. Will the gentleman clear up one point that has been troubling me? The gentleman from Pennsylvania [Mr. DEWALT] stated very likely the President would increase the wages of those employed by the railroads to the extent of 20 per cent. If the President has the power to do that, which would be a charge against the railroads, how does the gentleman explain opposition to the suggestion that if the President should fix rates, which would be a charge perhaps in favor of the railroads, he should increase the wages?

Mr. ESCH. I suppose there will be increases of wages. I can not talk advisedly on that matter.

Mr. LENROOT. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. LENROOT. I would like to suggest that when under private ownership the railroads had the power of increasing rates, but the rates had to be passed upon by the Interstate Commerce Commission.

Mr. PLATT. Was not that just what was the matter?

Mr. LENROOT. No.

Mr. PLATT. It was, exactly.

Mr. ESCH. I can not yield further, as I have only 10 more minutes.

Another question was suggested by a gentleman on my right, and that is the infinite confusion that we will get into, if we give the President the right of initiating rates, arising out of the fact that there will be a large number of lines that will not be taken over. That is conceded now. There are some 800 short lines with a total capitalization of something like \$1,200,000,000. Many of these will not be taken over. There may be some large lines that will not be taken over. Then, besides that, the bill provides that the President can relinquish control over lines prior to the 1st of July next.

And there is another provision in the last section under which the President can relinquish control over any lines after he has made an agreement to this effect with such carrier. What does it all mean? It means that thousands of miles of railroad in the United States will not be under the control of the Government, and if not taken over by the Government, they can not be under the control of the Director General. Where do they go? Under whose authority are they? Who shall make the rates? Why, the Interstate Commerce Commission. Then, you will have thousands of miles of railroad in the United States that are under the Interstate Commerce Commission, which has the power to fix the rates thereon. You will have other thousands of miles of road under the Director General, and he will have the power to fix the rates, according to the contention of this bill. That, gentlemen, will bring inextricable confusion into the rate-making structure of the United States, and we do not want to invite that. No one of us wishes that, but it is inevitable if the bill remains as it is.

Mr. DEMPSEY. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. DEMPSEY. Have you not always had such a conflict of authority between the State commissions and the Interstate Commerce Commission?

Mr. ESCH. Oh, but not nearly the difficulty that there would be under this new arrangement.

Mr. DEMPSEY. It exists in as many jurisdictions as there are States, does it not?

Mr. ESCH. Yes; but under the Shreveport decision those differences between the Federal Government and the States are being rapidly overcome and not added to.

Mr. STEVENSON. Will the gentleman excuse me just one further question? The confusion which I referred to awhile ago could be obviated, could it not, by striking out lines 14 and 15 on page 12, as to Federal control, so that if the President initiated rates at all it would be for all roads, and not only for those under his control? Would not that obviate the confusion? Whether it would obviate the objection or not I am not prepared to say.

Mr. ESCH. As an illustration of sudden action on the part of the individual, I wish to cite the instance of a special order of the Director General, made early in January, changing the rules as to demurrage practically overnight, and the commission merely passing on it pro forma.

By that single order the Director General, without hearing, without notice, increased the demurrage rates throughout the United States to a maximum of \$10 per day. He also abolished the average agreement and the bunching rules, to which rules the commerce and manufacturing industry of the United States had adapted itself. He did it overnight. The traffic people were not here, and did not have an opportunity to be heard.

As soon as the order became effective the traffic and industrial people of the United States brought to the attention of the Director General the injustice of his order and the hardship it was creating, and the Director General, after that rule had been in force and effect only nine days, changed it back virtually to what it was before. There ought to be a careful, calm consideration of these schedules and of these rates.

Mr. HARDY. Mr. Chairman, will the gentleman yield right there?

Mr. ESCH. Certainly.

Mr. HARDY. Was not the change back to the former rate probably induced by the fact that this higher demurrage rate had apparently, at least, accomplished its purpose in securing the unloading of the cars?

Mr. ESCH. No; that is not the reason why it was modified.

Mr. SIMS. It did not reduce the rate under the modification.

Mr. ESCH. The maximum was \$10 a day.

Mr. SIMS. That did not exist before he made his order.

Mr. ESCH. It began at \$3, according to my recollection.

Now, gentlemen, I have used my hour, and I want to close with a reference to the fourteenth section, concerning the last contention, namely, as to the time limit. I have not time to read more than this recommendation which I make with reference to it.

We believe that a period of one year or less after the proclamation of peace will be a sufficient period for the continuance of Federal control. The length of time which will elapse between an armistice and the ratification of the treaty of peace is certain to be many months. This time, added to the one-year limitation, would, in our opinion, be sufficient for Congress to pass whatever legislation might be necessary for the adjustment of the financial relations between the Government and the carriers and the enactment of whatever other legislation may be necessary. The Congress that will then be in existence will be as patriotic as this Congress and can be trusted to enact the necessary legislation. As the carriers were taken over under the war power, the tenure should be no longer than the duration of the war and a reasonable time thereafter. This Congress, fixing as it does in the pending bill the terms of agreement for just compensation, should at the same time fix the term.

In conclusion, we do not wish by this bill to hinder or embarrass the President in the slightest degree so far as operation of the carriers is concerned. We grant him fullest power in all matters of operation, in all matters of directing traffic, of re-routing shipments and preventing cross hauling and long hauling, or even in the imposition of demurrage rates. As to all matters of transportation, give him a free hand; but when it comes to the matter of rates, preserve the power over rate making in the hands of the Interstate Commerce Commission. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SIMS. Mr. Chairman, I yield one hour to the gentleman from Kentucky [Mr. BARKLEY], a member of the committee.

The CHAIRMAN. The gentleman from Kentucky is recognized for one hour.

Mr. BARKLEY. Mr. Chairman and gentlemen of the committee, I had intended to cover during my remarks three phases of this bill as those occurring to me to be the most important, and perhaps those which will be controverted more keenly than others by various members of the committee and of the House. I had intended to discuss first the compensation feature of the bill, and then the rate-regulating power, which has been discussed by the gentleman from Wisconsin [Mr. Esch], and then I desired also to discuss the question of the time limit or the tenure of Government control as provided in the bill and as advocated by some Members who do not entirely agree with that provision as it appears in the bill.

I think we ought, in the consideration of the compensation section of the bill, to keep in mind the fact that Congress can not fix the compensation which the Government must pay the railroads for their use during the period of Government control.

During the Civil War, when the Government took over under a law passed by Congress 2,105 miles of railroad mileage in the United States, Congress had attempted in the chartering of many of these railroads to limit the charges which the Government should pay upon those particular roads for the transportation of Government property, troops, and supplies, because of the fact that those were land-grant roads which had been allowed to use certain public lands of the United States. In the provision of the law it was attempted to be enacted that in the transportation of troops and military supplies these land-grant railroads should not be permitted to charge the Government of the United States for that service.

Notwithstanding that provision of the law and that provision in the original charters of their roads, the War Department during the Civil War undertook to construe that language to mean that while the Government might have the right to the use of the road itself, it did not give any right to the Government to use the rolling stock or the equipment of the road free of charge, and there was an appropriation made by Congress to take care of the charges that had been agreed to between the War Department and these land-grant railroads. The Supreme Court later, in the Atchison, Topeka & Santa Fe case, I believe, in the Ninety-third United States, decided that the War Department was within its jurisdiction in holding that while the Government of the United States might have the right to use the roadway, it did not have the right under the charter to expect the railroads to haul its troops and supplies without due compensation.

Now, in this bill we are not attempting to fix the compensation of the roads, because Congress has no power to fix the compensation. Under the Constitution, as has already been explained forcibly and lucidly by other gentlemen, the Government had the right to take the property. There may be some dispute in this argument as to whether, except by the act of August 29, 1916, the President would have had the right to take over the railroads under the elastic war power conferred upon him by direct and implied provisions of the Constitution. But laying that all aside, the President, acting under the power as conferred upon him by the act of 1916, took over the railroads in the absence of any congressional provision in regard to just compensation therefor. We are here attempting to provide a method of fixing that by agreement.

Now, Congress can not by any enactment fix the compensation. Congress can not by any enactment compel the railroads to accept any suggestion that it makes with reference to compensation. We can not take away from those railroads their legal right to go into court and submit legal evidence on the question of ample compensation, as intended by the Constitution. All that we are attempting to do here is to suggest a basis for a contract between the roads and the Government which will obviate the necessity of litigating that question in the courts of the United States.

Of course, we have provided that the President shall be authorized to make a contract. But we can not compel the roads to accept the contract which he will offer. He can not compel that any more than he can compel these railroads to accept any suggestion that he may make with reference to just compensation to which they may be entitled.

Therefore in determining how far the President may go in making this contract we have fixed the maximum as the standard return arrived at by an average of the three years ending June 30, 1917.

Mr. STEVENSON. Will the gentleman answer a question there that is bothering me a little?

Mr. BARKLEY. I will permit the gentleman to ask it, and I will answer it if I can.

Mr. STEVENSON. Is the President authorized to make any other contract than that provided in this bill, if the compensation does not exceed that which is provided in the bill? You say you prescribe the maximum.

Mr. BARKLEY. Yes.

Mr. STEVENSON. Is he authorized to go below that?

Mr. BARKLEY. He is authorized to go as far below the standard return as he can in making any contract that the railroad companies will sign. In all probability they will not be willing to sign any contract that goes very much below the standard return, but we know he can not go above the standard return.

There were witnesses before the Committee on Interstate and Foreign Commerce who advocated that we ought to go back for six years and take an average for six years in order to arrive at the standard return above which the President should not be authorized to go. In looking at the result that would have come about if that suggestion had been accepted we found ourselves confronted with a situation where we would have been compelled to fix a standard return which would have been based upon a capitalization or upon an amount of money invested very much below that amount which is now invested in the railroads throughout the United States. The carriers would probably not have accepted such terms, and the whole situation would have been thrown into the courts, with all the possibility of delay and uncertainty and consequently financial chaos.

Mr. HASTINGS. Will the gentleman permit a question?

Mr. BARKLEY. Yes.

Mr. HASTINGS. Why did you fix three years instead of one year; that is, 1915, 1916, and 1917 instead of the year 1917?

Mr. BARKLEY. I will state to the gentleman that the railroad companies desired that that should be done. Those who represent the railroad companies insisted that we ought to follow the policy that was followed by England in fixing the period next prior to the taking over of the roads in fixing their compensation. It so happens that in England the year 1913 was the high-water mark of net income and earnings of the British railroads. When the war broke out, on the 4th day of August, 1914, of course they had not completed their yearly period of accounting. The war between England and Germany came about on the afternoon, I believe, of the 4th of August. At 12 o'clock that night all the railroads in Great Britain were taken over by the Government by an order in council issued almost immediately upon the declaration of war.

Within a very few hours after England and Germany had locked horns in war England took over her railroads. They were taken over without any agreement about compensation. They were taken over under an old act of 1871, which permitted the Queen, by an order in council—and, of course, the King if it happened to be a King—to take over the railroads in Great Britain, not only in time of war, but at any time whenever it should be determined to be in the public interest. They had the right to take over the railroads, but they could only take them for one week at a time, and so from the 5th day of August, at one minute after midnight, 1914, until now they have renewed that order from week to week in England, in order to preserve and keep control of the railroads, because the law itself only allows them to take over the railroads for one week at a time.

It so happened that the year 1913 in England was the high-water mark of railroad earning capacity and the British Secretary of State under the English law made a contract with the railroads that they should be compensated upon the basis of the net income for 1913, which was the year previous to the outbreak of the war. There was subsequently an arrangement whereby, if the first seven months of 1914 were to exceed or to fall below the corresponding period of 1913, there was to be a readjustment of compensation in accordance with those results; but on the 1st day of January, 1915, that agreement was withdrawn, and now for all practical purposes we may say that England will compensate and guarantee her railroads upon the basis of the net earnings for 1913. I will say to the gentleman from Oklahoma [Mr. HASTINGS] that in view of the fact that 1916 was an abnormally prosperous year for the railroads in the United States, while for the year 1917 the net earnings had fallen off a little, the fiscal year of the railroads being the calendar year, instead of the year ending June 30, as formerly, we did not believe we should take one year alone. But in view of the fact that the war had been in progress during 1915, 1916, and 1917, and by a sort of reflex action upon industries and the financial system of the United States due to the world war, there had been some abnormal conditions on both sides, we thought an average of the year 1915, which was a very low year in railroad prosperity, and of 1916 and 1917, both of which were prosperous years, would be about as fair an average as we could arrive at.

in order to authorize the President to make a contract with those roads for that sum, if he should see fit, or for lower than that if he could persuade them to enter into a contract to that effect.

Now, the object of our committee has been, and the object of Congress ought to be, and no doubt will be, to provide in this law a contract that the railroad companies will be likely to sign, because if we should fix the maximum compensation so low that the railroads would not enter into it, and would fall back upon their legal right to go into court and have their rights adjudicated according to the rules of evidence and according to their earning capacity, which would be the test of their right to compensation, then we would tie up in the courts of law more than \$18,000,000,000 worth of stocks and bonds, and what has been estimated at nearly one-seventh of the entire property of the United States, and this would so undermine the credit and the financial structure of our country that we might precipitate a panic in the midst of war.

Because no man who has not given the question serious study can estimate the great influence the railroad securities of the country have on the structure and fabric of national credit, and anything that would undermine the securities and the stocks of railroads, anything that would unsettle the market with reference to railroad securities, would unsettle the market with reference to all securities, and might place the country in a serious and embarrassing situation. We felt that was about the best average, the most reasonable that could be arrived at—one lean year and two prosperous years.

Therefore, not having the power to compel the railroads to accept any compensation which Congress might fix, we have attempted to arrive at a reasonable sum as a basis upon the railroads and the Government might enter into voluntary agreement.

I would very much hate to imagine the disastrous results that would come to the country in this precarious posture in our financial and domestic affairs, if all or any considerable number of railroads in this country felt themselves justified in going into court and establishing the amount of money that the Government should pay them for the use of their roads. It is impossible to imagine the disastrous results that might come not only to the prosecution of the war itself but to all forms of credit or investment in our country during this period.

Mr. DOWELL. Will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. DOWELL. Is it not a fact that under this system a number of railroads will receive from 15 to 25 per cent on the par value of their capital stock?

Mr. BARKLEY. It is possible that some roads may receive more than 12 per cent upon the par value of their stock. I doubt very seriously if any will go as high as 25 per cent. But these roads have been making that net income on the par value of their stock before the Government took them over, and it would be competent evidence in any court of justice in the United States to show that that was their earning capacity, and the Government could not afford to put itself in the position of taking forcibly, without their consent, private property for public use and expect them to be limited to any particular percentage on the par value, because Congress might decide that it was too much, especially where they had the approval and sanction of the Interstate Commerce Commission which has the power to pass upon the reasonableness of their rates.

Mr. DOWELL. But suppose the rate fixed in the bill is both unreasonable and not a just rate, would the gentleman be in favor of paying what he believed to be more than what was reasonable and just after they are taken over by the Government?

Mr. BARKLEY. I think we may assume that the Interstate Commerce Commission has, in the main, performed its duty satisfactorily. The gentleman must not confuse a reasonable rate for hauling a particular consignment of freight with a reasonable return on the investment of the company. The Interstate Commerce Commission has the right to fix the reasonableness of any rate that the company may charge the public for service it renders, but they are not given by law any power to pass upon the reasonableness of dividends that may be declared by reason of the efficient and economical management by the company to which the stockholders may be entitled.

I do not know of any criterion where Congress could set itself up as the dictator of what should be a reasonable compensation as a reward for economic and intelligent management of these roads.

Mr. DOWELL. If the gentleman will permit, is it not true that when the Government takes over the railroads they are in a different position? The Government should pay to the railroad what is a reasonable rate. I think we all concede that. It

ought not to pay more than is reasonable and just. Is not that correct?

Mr. BARKLEY. Theoretically the gentleman may be correct, but legally he is in error. The Government is compelled to pay the railroad companies what they would be reasonably expected to recover if they went into a court and litigated what they were entitled to.

Mr. DOWELL. Does the gentleman believe that the roads should receive more than is just and fair or that they would recover more than what would be just and reasonable in a court of justice?

Mr. BARKLEY. That is a speculative question that nobody could answer, because nobody in advance can say what the court might hold as reasonable and just, but the court legally would be compelled to fix the verdict on the earning capacity of the road demonstrated by experience in the past.

Mr. RAYBURN. Will the gentleman yield?

Mr. BARKLEY. Certainly.

Mr. RAYBURN. Is it not also true that the capital stock of any road has little to do with the actual value of the road?

Mr. BARKLEY. That is true, or with the earning capacity.

Mr. DEMPSEY. Will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. DEMPSEY. Is it not a fact that during the years adopted, and for many years previous, the railroads, while they may on the basis on which the figures are made up have yielded a gross income of 12 per cent or over, have only paid a moderate dividend of 5, 6, or 7 per cent, and have used the rest of the gross earnings to keep up their rolling stock, roadbeds, and terminals, and by that policy have kept them up so as to handle efficiently the business which it was necessary for them to handle for the benefit of the country?

Mr. BARKLEY. That is true with respect to many roads. As has been suggested, the expense of the equipment of the railroads has within the last three years advanced nearly 100 per cent. The railroads must bear that expense, and because of the increase of expenses of equipment some have not been able to keep up to the standard that I believe ought to be set for railroads in the public service. Some of them, because of their effort to do so, have been denied the privilege of declaring dividends on their stock as a reward for the investments of the stockholders.

Mr. DOWELL. Mr. Chairman, will the gentleman yield again? I do not want to interrupt unless it is agreeable.

Mr. BARKLEY. I yield to the gentleman.

Mr. DOWELL. Is it not a fact that under this bill the Government itself takes care of all the expenses, the upkeep of the road, and has to keep it in as good condition as it was before the war?

Mr. BARKLEY. Yes; but that must come out of the earnings of the railroads, and it is charged as a part of operating expenses, just like it has been heretofore.

Mr. DOWELL. Is not the amount I have referred to the net, after paying all of these expenses?

Mr. BARKLEY. Not necessarily; but even if it were, in some isolated cases, that would not justify the Government in saying to a railroad which has been charging rates by the consent and sanction of the Government itself that because by wise and economic management it has been able to make a greater per cent on its investment than some other roads, that it is going to take that away from it and put it in the Treasury of the United States. That certainly would not be the criterion which we would set up for ourselves in passing on any other private property that the Government might feel it necessary to take over.

My colleague on the committee, the gentleman from Wisconsin [Mr. Esch], suggested that he had offered an amendment providing that where railroads had earned above a certain per cent—I think the amendment mentioned 5 per cent—during the period of the standard return, the three years ending June 30, 1917—that if they had earned more than 5 per cent on their investment the Government should in those cases guarantee interest upon their indebtedness, guarantee their regular dividend, and then divide all that was over and above that 5 per cent between the railroad company and the Government, in order to induce the railroad company to go on and be patriotic and act with efficiency and the same wisdom they had displayed heretofore. The amendment went further and provided that this one-half of the surplus should be used in paying roads that had not made up to that amount any deficit that might accrue to them in their operation during the period of Government control. In other words that amendment would penalize frugality and industry and wise control, and it would offer a reward for inefficiency. I can not imagine a more unjust provision for the compensation of railroads by the Government than to take away some of the money earned by the prosperous and well-

managed roads and give it to some that had been managed and operated with little wisdom or efficiency. [Applause.]

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. COOPER of Ohio. I would like to say to my colleague on the committee I believe that the road that made the highest percentage of net return for the last three years is the Pittsburgh & Lake Erie Railroad. I maintain that the Pittsburgh & Lake Erie is one of the best equipped and gives the best service; in fact, it has the name of being the best equipped and giving the best service of any railroad in the United States to-day. It would not be fair to take the earnings away from a railroad that is giving such service.

Mr. BARKLEY. Oh, no. I think the gentleman is entirely correct. I desire to discuss for a few moments the question of the power to make rates, upon which the gentleman from Wisconsin [Mr. Esch] has spoken so ably and yet, I think, so erroneously. The Interstate Commerce Commission has never enjoyed the power to initiate rates. The Interstate Commerce Commission of its own motion can not increase rates; it can not initiate rates; it has no initiative power with reference to rates except that whenever a railroad company fixes or files with it a schedule of rates, either upon complaint or upon its own initiative, the commission may investigate the reasonableness, the fairness, of the rates, and it may grant it or suspend it or entirely nullify it. But never has the Interstate Commerce Commission been given any right ab initio to bring about an increase or change in rates where the railroad companies themselves have not started the procedure.

Mr. DOWELL. But, under the system the gentleman has just referred to, the practical effect is to fix the rate by the Interstate Commerce Commission.

Mr. BARKLEY. The practical effect is that if the rate satisfies the Interstate Commerce Commission they approve it, and if the rate does not they disapprove it. But that is not the question that I am coming to. When these railroads were taken over by the Government, it has been suggested that they lost all incentive to bring about an increase in revenue. That may be true, because their standard return is guaranteed to them. That being true, if the railroad companies themselves have no further interest in procuring a change of rates, and the Interstate Commerce Commission can not do so, then where shall we lodge the power to initiate increases or changes in rates that are to be charged on the roads? Not only does this section apply to rates but it applies to regulations and practices of all sorts that are prescribed by the Interstate Commerce Commission and by the law. When the Government took over these railroads the President of the United States, under the law, stepped into the shoes of the managers and boards of directors and the presidents of all of the railroads in the United States. Therefore he succeeded by operation of law to the powers which they enjoyed prior to taking over the roads by the Government. That being true, then there is no other authority where the power to initiate ought to be lodged except in the hands of the man who succeeded in every way the management of these railroads while they were under private control. [Applause.] If the gentleman from Wisconsin [Mr. Esch] is correct, there can not be any change of rates while the Government controls the roads; and it has already been suggested, and we predict it with a certain degree of moral assurance, that the wages of the railroad men will be increased, and I think they ought to be increased. They may be increased as much as 20 or 25 per cent.

Now, if it becomes necessary to increase the wages of railroad men in order to do justice to them and keep them at work, satisfied and contented, and those increases should amount to \$100,000,000 or \$200,000,000, and it should be necessary for rates to be increased in order to make up the deficiency brought about by the increase in railroad wages, and the gentleman from Wisconsin succeeds in his amendment, who will have the power to bring about that increase? The railroads will not do it, because they are not any longer interested. They get their standard return, no matter what the revenues, no matter what the wages, no matter what the expenses may be. They have no further interest in it and it can not be presumed they will do it.

Mr. RAYBURN. Has an additional burden like that ever been placed upon the railroads of this country by the Interstate Commerce Commission that they have failed to respond to it?

Mr. BARKLEY. I think not.

Mr. GORDON. Why does the gentleman assume they will not do it now?

Mr. BARKLEY. Because nobody has the power. The Interstate Commerce Commission can not make any changes of its own motion. It can not say, "We have heard in a roundabout way that the President increased wages, and that will increase operating expenses, and in order to meet the deficit we must raise the rate." They can not do that; nobody proposes to give them power to do it, and they ought not to be given the power ab initio to start proceedings.

Mr. RAYBURN. I will call attention to the fact that the amendment I offered to the committee gave the President the power to initiate rates and put him in exactly the same position that the railroads are now and left the Interstate Commerce Commission exactly as it is now.

Mr. BARKLEY. And let the Interstate Commerce Commission come along and veto what the President has done and overrule him in the exercise of its power. If the President enjoys any power in the control of these roads it is either by virtue of the statute itself or by the implied war power of the Constitution. He has taken them over according to his proclamation in pursuance of the statute passed in August, 1916. Now, I do not believe the President of the United States—

Mr. RAYBURN. May I ask the gentleman this question? Everybody knows—I presume that they do—that the President will not upon his own knowledge, and without consulting anybody, fix these rates, and neither will the Director General. He is going to consult somebody. Where in America is there a better body to consult than the Interstate Commerce Commission? [Applause.] And where, further, is there a body in this Government that in its long standing has been subject to as little just criticism as the Interstate Commerce Commission?

Mr. BARKLEY. I agree with every statement the gentleman from Texas makes, and I am perfectly willing for him to consult the Interstate Commerce Commission and the bill provide that the commission shall be consulted. If anybody objects to a rate that he makes, they can take it up and have a hearing, and then the findings of the Interstate Commerce Commission are prima facie evidence of their own correctness, and there is not a President of any political party who would not be guided by the results of the investigation of the Interstate Commerce Commission in so far as possible in the public interest.

Mr. RAYBURN. If the framers of this bill had not been driven as a final thing to make—

Mr. BARKLEY. How is that?

Mr. RAYBURN. If the framers of this bill had not by sentiment in the committee and outside of it been driven in some way to bring in the Interstate Commerce Commission with reference to these rates and somebody else had been in favor of the Interstate Commerce Commission and brought in this amendment, the gentleman who believes that the President should be charged with all of this authority would have said that this amendment was an insult to the President of the United States, for this reason—

Mr. BARKLEY. I yielded to the gentleman for a question. Go ahead and finish the question.

Mr. RAYBURN. Oh, well, I have not asked the question yet.

Mr. BARKLEY. The gentleman is a long time getting ready to ask one.

Mr. RAYBURN. I am not going to ask it.

Mr. BARKLEY. When the bill was first brought in those who believed with the gentleman from Texas, fearing that the President might have some authority to initiate a rate, brought in an amendment reserving specifically to the Interstate Commerce Commission the right to initiate or to fix rates.

Mr. RAYBURN. Yes.

Mr. BARKLEY. Then it was that this provision was added to the bill in the committee, not because they were driven by anybody, but because they wanted to preserve the unity of control of these railroads while they are under Federal control. It is a ridiculous anomaly, if I may be permitted to suggest, that the President of the United States has the right to increase the wages of the employees of all those companies and yet can not increase the revenue. [Applause.]

Mr. LENROOT. The railroads can not do it.

Mr. BARKLEY. They can do it, subject to the approval of the Interstate Commerce Commission. But they have been superseded by the Government and no longer are interested about whether revenues are sufficient to meet expenses.

Mr. DECKER. Will the gentleman yield?

Mr. BARKLEY. I will.

Mr. DECKER. Let me suggest to the gentleman from Wisconsin [Mr. LENROOT] that there is this vital difference between the private owners of railroads and the Director General of the United States, manager of railroads. The private owners of railroads are human beings, and look after their own interests

first. The Director General of the United States is a public official, representing you and me and 110,000,000 people, and he looks out for both sides.

Mr. LENROOT. How about the Interstate Commerce Commission?

Mr. DECKER. Who appoints the Interstate Commerce Commission?

Mr. FORDNEY. Will the gentleman yield?

Mr. BARKLEY. I will.

Mr. FORDNEY. The gentleman has stated undoubtedly the wages of railroad employees will be increased, and I agree with him. Who will do that, the President of the United States having control, and if so, would not the President recommend increases of rates to the Interstate Commerce Commission, and would not the Interstate Commerce Commission, under such circumstances, knowing that the increased cost of operation had been brought about by the President, listen to his recommendation, which was for an increase of rate?

Mr. BARKLEY. I think they would, but we have heard so much about rubber stamps here during recent sessions of Congress that I am unwilling to make a rubber stamp out of the Interstate Commerce Commission. It might be true that they should act upon the suggestion of the President because he requested them to make an increase, but it seems to me ridiculous that, as the President has the power to control the matter himself, he must go to some subordinate body in order to get power to increase the income.

Mr. FORDNEY. If you are going to make a rubber stamp of him in increasing the operating cost of the railroads, why not make a rubber stamp of him anyway?

Mr. BARKLEY. I will say to the gentleman that if he has the power to increase the operating expenses of the road he has the power to increase the income. We might as well face the situation now, because if there is any deficit in railroad income you will all be called on to vote a tax upon the people in order to make up the deficit to the Treasury, and we might as well provide for some means of providing for it in advance.

Mr. FORDNEY. I agree with you, and that is exactly what we are coming to, in my opinion. I know this, further, and I am half agreeing with the gentleman entirely, the Interstate Commerce Commission for the past decade has not permitted increased rates in the country in keeping with the increased rates on the railroads of other countries in the world. A comparison of statistics will show that. I do not believe they have been fair with the railroads in permitting income in keeping with increased cost of operation. That right ought to be put somewhere where the railroads will get justice in that respect.

Mr. BARKLEY. I think there is a good deal of force in what the gentleman says. Now, it may be true, and I think it is true, that heretofore the Interstate Commerce Commission has not allowed increases in rates proportionate to the increases that were forced upon the railroads in matters of wages and other operating expenses. I am not criticizing the commission for taking that attitude. They may be entirely correct, because in passing upon a rate they pass upon the reasonableness and justice of it, and not necessarily in relation to what they may have been compelled to pay out on some other account. But here is a situation where the Government has come in and supplanted the railroad managers. Previously the railroad managers had the right to initiate a rate, while now under this bill the President has the right to initiate a rate, and it must be a reasonable and just rate. It must be a just or reasonable practice or charge. He is compelled to file that rate with the Interstate Commerce Commission, and if any human being complains about the injustice or the unreasonableness of that rate, the Interstate Commerce Commission must investigate it and report the facts back to the President; and their findings are prima facie evidence of their own correctness. Now, the point of difference between some gentlemen, and the point of difference between this provision and the bill as reported to the Senate, was that after the Interstate Commerce Commission has made this investigation they have the power to veto the action of the President and nullify his act, and they may be actuated purely and simply by the reasonableness of the rate itself for the service rendered, wholly independent of any outside circumstances.

Mr. FORDNEY. I will say to the gentleman this, as a comparison, that the railroads in Canada for the past few years, under Government control, have spent \$102 for every \$100 of receipts, which left them no money for betterments of the roads in Canada. Those are Government-owned roads that I refer to now. If that condition were brought about in this country, then there must be increased rates to offset that added cost of operation, or the people must be called upon to go down in their pockets and pay taxes to meet that difference, or the railroads are going into bankruptcy.

Mr. BARKLEY. That is absolutely true.

Mr. LENROOT. The gentleman states that if the Interstate Commerce Commission decides this, they are limited to the reasonableness of the rates. I want to ask him if under his proposition the same limitation does not rest upon the President?

Mr. BARKLEY. Of course.

Mr. LENROOT. And who is more competent to ultimately decide that question, the Interstate Commerce Commission or the President?

Mr. BARKLEY. I think if the President of the United States had the opportunity to go into a long-drawn-out investigation, he might reach as correct an interpretation of the reasonableness of the rates as the Interstate Commerce Commission. And I do not anticipate and I do not think that the gentleman from Wisconsin needs to fear the President of the United States is going to increase or change rates or practices by the wholesale unadvisedly. But now and then there may be a situation that may need to be remedied instantly, where some change not only of a rate that affects the whole country, but some particular local rate, or some practice or some charge in the facilitation of the hauling of freight, may be necessary. If it were necessary for the Interstate Commerce Commission to go into a long investigation, the efficacy of the ruling might be worthless by the time they reached a conclusion about it.

Mr. LENROOT. The gentleman knows that it is not necessary under the present law for the Interstate Commerce Commission to do that.

Mr. BARKLEY. Railroads, as I suggested a while ago, are not going to initiate any changes of rates, because they get their guaranty just the same, and they have no incentive to do so.

Mr. LENROOT. But the President may now, may he not?

Mr. BARKLEY. I think he can. There is considerable legal doubt as to whether he can do it or not.

Mr. LENROOT. Not to initiate them.

Mr. BARKLEY. Eminent lawyers have said to the contrary, and I think they are wrong; but whether he can or not, that is the very reason this amendment was first brought in here, because they thought he had the power and they did not want him to have the power.

Mr. LENROOT. The gentleman should bear in mind that there is a distinction between the initiating of rates and the making of rates.

Mr. BARKLEY. I understand that.

In the demurrage cases that my friend from Wisconsin [Mr. Esch] made so much light of, it was necessary to bring about some sort of compulsion in the unloading of freight cars. The Director General, of course, increased the demurrage charges up to \$10 a day in order to compel men to unload freight cars and bring about a relief of the congestion.

It turned out afterwards that there had been some prior arrangement made by men under the previous conditions, and he modified his order in order to relieve that situation. But if he had been compelled to go before the Interstate Commerce Commission and subject himself to the delay of an investigation, it would have been too late to have brought about the remedy.

Mr. LENROOT. If the gentleman will yield—

Mr. BARKLEY. Yes.

Mr. LENROOT. No delay is necessary on the part of the Interstate Commerce Commission unless they choose on hearings to suspend this rate. Does the gentleman think they would suspend a rate initiated by the President?

Mr. BARKLEY. Well, if it is assumed that the Interstate Commerce Commission is going to approve everything the President does, if his acts are to be final anyway, I see no use in giving them authority to nullify them absolutely. If that were to be the assumption, he might as well put them in force at once.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. DEMPSEY. Is not the gentleman's position logically this: That under private ownership the railroads could initiate a rate, but a check was put upon it by the Interstate Commerce Commission because of the interest of the railroads; and does not that interest disappear the instant they go under Federal control, because the President, who has the power to initiate rates, has no interest whatever in what the rate shall be? It is his interest simply to do that which is best, taking all things into consideration.

Mr. BARKLEY. Absolutely.

Mr. DEMPSEY. And is it not sufficient, under any circumstances like that, to have the Interstate Commerce Commission merely investigate and advise, because they are advising a man who has no interest and only wants to serve the public?

Mr. BARKLEY. The gentleman has stated it very correctly and forcibly. Not only is it a fact that the President, as I sug-

gested at the outset, represents in his official capacity the railroads, because he has taken them over and stepped in in place of the managers and directors of the railroads, but the President also represents the public.

Now, the Interstate Commerce Commission was created in order to protect the public against the railroads, and in order to make its powers of any effect it was given the power to enforce its decrees. It was not given merely advisory power with reference to the increase of rates by railroads, because it was presumed that the railroads would not check their increase of rates merely upon the advice of the Interstate Commerce Commission, and therefore the actual power was given to the commission to enforce its decrees. But here the President of the United States has no selfish interests to serve. He has taken over the railroads and in a larger capacity he represents the public, so that it is not necessary to protect the public against their own servant who has been chosen by them to act for them in the administration of the Government.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. PLATT. I wanted to suggest also if it did not come down to this, that in time of war it is necessary to act first and investigate afterwards.

Mr. BARKLEY. That is frequently found to be necessary.

Mr. GORDON. How does it come that Congress has taken a different view about trusting its own chosen servants? If they had so much confidence in the President to fix railroad rates, why did they not leave it to the President when they passed this law? And what is there in time of war to qualify the President to determine such an intricate matter as the fixing of railroad rates?

Mr. BARKLEY. The gentleman from Ohio is on the Committee on Military Affairs, and that committee when they brought the Army bill out gave the President the right to take possession and assume control of the railroads.

Mr. GORDON. Yes; but not to fix rates. You do not find that in the law.

Mr. BARKLEY. I understand that very well. The gentleman's committee not only did not give the President the right to fix rates, but did not provide any means of compensating the railroads when they were taken over, and that is why this bill is here.

Mr. GORDON. The reason why we did not do that was because we did not know how much money would be necessary. We did not know what the railroads would be worth.

Mr. BARKLEY. Do you know any more now?

Mr. GORDON. No; yes; we know more than we did then, but we do not know that.

Mr. BARKLEY. I have some doubts about that.

Mr. DOREMUS. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. DOREMUS. Under this bill the President is authorized to make these contracts with the railroads. These contracts will provide for a certain return to the road. The Interstate Commerce Commission is no party to that contract. Under those circumstances does not the gentleman think that the Congress should clothe the President with all the power that is necessary to carry out the contract that he makes with the roads?

Mr. BARKLEY. Absolutely; and he ought not to be handicapped or be put in a situation where he would have to cramp himself or his Government in order to carry out the contract.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. LENROOT. Does not a section of this bill have for its very purpose the purpose to enable the President to carry out that contract? I refer to the \$500,000,000 appropriation.

Mr. BARKLEY. Yes; but we do not know how much of that \$500,000,000 appropriation is to pay any deficiencies arising by reason of the Government operation. That is only one of the objects.

The primary object of that appropriation is to create a fund out of which the President can construct equipment and rolling stock in order to enable the Government to carry out its war purposes, for which it took over the railroads. Of course if there is a deficit he may pay for it out of this \$500,000,000 fund.

Mr. DOREMUS. Mr. Chairman, will the gentleman permit another question?

Mr. BARKLEY. Yes.

Mr. DOREMUS. Which policy does the gentleman think is preferable: To meet a deficit by taxing the people or meet it out of the revenues?

Mr. BARKLEY. I think I have answered that. But the question almost answers itself.

Mr. GORDON. Mr. Chairman, will the gentleman permit a question?

Mr. BARKLEY. In just one moment.

Mr. GORDON. I thought you said the question answered itself.

Mr. BARKLEY. I am going to amplify it. I think it will be easier for Congress to give the power to increase the revenues of the roads than to increase the taxes which would be necessary to make up the deficit. The people have to pay for it anyhow, and my experience is that they will be more willing that the deficit shall be paid out of the revenues than that it shall come in the form of taxes out of their own pockets.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. DEMPSEY. Does it not come to this, that the fixing of rates involves two sets of people? In one case, if you fix them too high, it involves taxes to all the people, and if you fix the rate just high enough it involves only the shippers?

Mr. BARKLEY. Yes; and not only that, but—

Mr. GORDON. I would like to supplement that question.

Mr. BARKLEY. I hope the gentleman will get time enough to make a speech himself, because he is evidently loaded up with something that oppresses his system. [Laughter.]

Not only have we got to consider the question of revenues and expenses as they may counteract each other, but one of the main reasons for the taking over of these railroads by the Government was the fact that there is an intimate financial relationship existing between the railroad companies and the stockholders, and the Government of the United States by reason of this fact. There is about to be put upon the market another Liberty loan campaign. There ought not to be any competition between the Government of the United States and any other great interest in the money market, and we know that the money markets have been closed to the railroads for the last two or three years. The railroads have been unable to borrow money, and that is one reason why some of their equipment has gone down. The money markets of the world have been closed to the railroads, and this was necessary to be taken into consideration in taking these railroads over not only to unify their physical control but to unify the relationship between the financial situation of the railroads and of the Government of the United States, and it might be a very embarrassing and disastrous situation if by reason of handicapping and dividing authority to control the railroads the Government were not able to provide revenues sufficient to carry them on.

Mr. GRAHAM of Illinois. I want to ask this question: The gentleman says, as I understand it, that he thinks instead of being levied upon the people by general taxation it ought to be levied upon the shippers, a special class, and that that would be more equitable. The railroads are being taken over for the benefit of all the people, are they not?

Mr. BARKLEY. Why, yes, in a large sense.

Mr. GRAHAM of Illinois. Is it not true, then, that you ought not to impose a special burden on a special class of people, namely, the shippers, when the taking over is for the benefit of the whole people? Do you not think your argument about that is wrong?

Mr. BARKLEY. No, I do not; and I will tell the gentleman why. If the Government had not taken over the railroads, in all probability there would have been a very large increase in wages to their employees. I think it is practically certain that there would have been an increase. There might have been more of an increase than there will be under the Government. If that increase had come under private ownership the public would have had to pay for it in the payment of freight rates. There is not any doubt about that, because the railroads, either under private or public control, ought to take in as much money as they pay out. Now, does the situation change merely because as a war measure the President was compelled to take over the roads? Ought they not to pay their operating expenses? Ought they not to pay for their increased equipment? Ought they not to be able to pay these things out of earnings? Ought they be taken out of the Treasury, merely because the Government has taken over the roads? I do not think so.

Mr. GRAHAM of Illinois. The answer to that is that the burden that is being assumed by the Government is being assumed for the benefit of all of us.

Mr. GORDON. On account of the war.

Mr. GRAHAM of Illinois. On account of the war and of war conditions; but your plan proposes to place a burden on a special class of people who ship stuff over the railroads.

Mr. BARKLEY. That statement is only partially true.

Mr. PLATT. The shipper does not have to pay it. He passes it on.

Mr. BARKLEY. The shipper pays it initially, but the people, after all, pay all freight and all taxes alike. It is distributed among the people, and in such form and in such quantities that

they may not always feel the burden; and it is an unwise financial policy to inaugurate here in the very beginning the possibility of creating more expenses than the revenues of the railroads will be able to meet.

Mr. GRAHAM of Illinois. Let me add to that question that under normal conditions perhaps that argument is correct, but when you have a special fixing of prices of certain things—for instance food, which constitutes a large part of the shipments by freight in this country—then another element enters into the question of governmental control which perhaps you have lost sight of in your argument.

Mr. BARKLEY. It is difficult, of course, to separate that part of it that is incidental to the war from that part which is incidental to commercial traffic generally.

But having taken them over as a war policy, the Government must assume the burden of carrying the commercial traffic with the same wisdom and financial foresight. It could not throw aside all rules of finance, because, having taken them over as a war measure, they have to regulate the charges incident to commercial traffic.

Mr. PLATT. Will the gentleman yield?

Mr. BARKLEY. I will.

Mr. PLATT. I want to ask a question in reference to this provision that all fares, rates, and charges shall be fair, reasonable, and just. Would the gentleman hold that the President under this bill, if it passes as it is, would not be allowed to initiate a rate, perhaps for the purpose of shutting off some traffic? Suppose the excursionists were coming to Washington and crowding the accommodations; would the President have the right to raise the passenger rates to keep people from traveling?

Mr. BARKLEY. It would all be subject to the provision that they must be just and reasonable. In England it so happens that they did raise the passenger rates 50 per cent in order to discourage passenger travel. It was necessary in order to carry the freight traffic of the railroads to discourage passenger travel by increasing the rates more than 50 per cent. Whether that would be a wise policy in this country I do not say; it will all depend on circumstances.

Mr. HARDY. Will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. HARDY. I think the gentleman has presented the question of the right of the President to initiate rates very forcibly. Would not it be an anomaly to have two executive administrative officers, and one of them a subordinate, allowed to overrule his superior? If the Interstate Commerce Commission as an administrative body were allowed to finally overrule the action of the President in fixing these rates, would not that in itself be an anomaly and an absurdity?

Mr. BARKLEY. That is a ridiculous situation, which I called attention to a while ago. The railroads were taken over in order to unify them, because under separate competitive systems and boards of directors they desired to get all the traffic and revenue they could, and they could not unify themselves. Now, unification or physical control is wholly incomplete unless the unification of financial control goes hand in hand with it. It is a ridiculous situation to say that a subordinate body can overrule the action of the President in a great war crisis.

Mr. MADDEN. Will the gentleman yield?

Mr. BARKLEY. I yield to the gentleman from Illinois.

Mr. MADDEN. Does the gentleman consider the President of the United States in the same position that the railroad companies themselves were under the law?

Mr. BARKLEY. Before they were taken over?

Mr. MADDEN. Before and after they are taken over is not he in the attitude of the railway company, in the same position?

Mr. BARKLEY. Yes; he steps in, and what authority they exercise now is through his consent and by reason of the permission that he gives.

Mr. MADDEN. If he takes the place that the railroad company formerly occupied, could he have any greater power to initiate rates and put them into effect than the railroad companies themselves had?

Mr. BARKLEY. Yes; for the reason I suggested a moment ago. Not only does he take the place of the railroad companies, but the desire or incentive of the railroad companies to gouge the public is removed. He not only stands in the relationship of the railroad managers, but he represents the public and has no desire to increase rates unreasonably. There is no logical reason why the Interstate Commerce Commission should stand between him and the public when he is the representative of the public as much as they are.

Mr. MADDEN. I understood the gentleman to say, and the purpose of his argument was, that the President might have a superior power to increase a rate, to get increased compensation which the Interstate Commerce Commission as a body would not allow.

Mr. BARKLEY. I say that is one situation that enters into the wisdom of giving him the power to do that; there may be a hundred others, but that is one. It is presumed that freights may be changed, may be rerouted, taken off one road and put on others, and it would be a serious embarrassment if the President did not have the right to change rates, charges, or practices so as to facilitate the transportation of freight over one road or another which had never enjoyed the transportation of that freight.

Mr. MADDEN. Then what becomes of the gentleman's argument that the President is not in the same position to gouge the public by charging increased and unreasonable rates which the railroad companies were themselves in before he took them over?

Mr. BARKLEY. I say he has no incentive to do that.

Mr. MADDEN. If he increases the rates beyond what they are, what would the gentleman call it?

Mr. BARKLEY. I am not qualified to pass on the reasonableness of any rate, and I do not know what it is going to be. I do not believe that any President in opposition to the report of the Interstate Commerce Commission would insist on an unreasonable rate on freight.

Mr. GORDON. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. I yield to the gentleman.

Mr. GORDON. You have provided in this bill that any rate fixed, whether by the President or anybody else, must be just and reasonable?

Mr. BARKLEY. Yes.

Mr. GORDON. And yet the gentleman is arguing for the arbitrary power in the President to impose a rate, just or unjust?

Mr. BARKLEY. Oh, no. The gentleman misses the whole question involved.

Mr. GORDON. The gentleman is also arguing that the President when he finds that the rate he has imposed is unjust and unreasonable through an investigation of the Interstate Commerce Commission, shall as an honest man proceed to change it. Why not allow the Interstate Commerce Commission to fix it before it becomes operative and effective, just exactly as it did before this war started?

Mr. BARKLEY. Because there might be a hundred circumstances when immediate action is necessary to facilitate transportation of freight or protect the interests of the people, and if you give him power with reference to one thing, you must give him power with reference to the whole field, because Congress can not divide up the field and say that the President shall have the right to fix such rates as shall affect the war; but as to commercial rates he shall have no power, because it is impossible in a legislative way to draw the line between strictly war business and commercial traffic.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BARKLEY. May I have 10 minutes more?

Mr. SIMS. I yield 10 minutes more to the gentleman.

Mr. BARKLEY. The last thing I desire to discuss, and I am sorry that I have taken so much time, is the question of the tenure of Government control as provided in this bill. I am one of those who do not believe there ought to be any time limit fixed in this bill, not because I may or may not favor Government ownership, nor because I believe that Government ownership necessarily is coming. It is wholly unnecessary to discuss the question of Government ownership in deciding upon whether there shall be a time limit after the proclamation of peace within which these roads shall pass back to their private owners. This bill provides that the Government shall, if necessary, buy equipment, rolling stock; it may even buy and build terminal facilities or branches, extensions of the line. It may even, under the bill, buy the bonds that are permitted to be issued by order of the President in order that the railroads shall not come into competition with the Government in the borrowing of money. If this war should last for three or four years—and I do not think even Solomon himself, if he were here, and he enjoyed some reputation for being a wise man, could tell anything about how long the war is going to last—I do not believe anybody in Congress or in the United States is wise enough now to say in advance what character of laws may be necessary in providing for the return of these roads to their private owners. It may be that we will have to spend more than a billion and a half of dollars, it may be \$2,000,000,000, in the purchase and the construction of equipment necessary to carry on the railroads while the war is in progress. It may be that under the provisions of this bill the Government will purchase bonds issued by the railroads, because they can not issue bonds under this bill except by approval of the President, and he is authorized, if necessary, in order to take the railroads out of competition with the Government in the issue of bonds, to purchase those bonds on behalf of the Government.

Mr. LENROOT. Mr. Chairman, I would like to hear the gentleman on the proposition of what right we have under the Constitution to hold these railroads after the war is over for more than a reasonable time.

Mr. BARKLEY. If I get time, I shall come to that, but I do not want to interrupt my thought right now. It will take at least a year after the war is over and peace is proclaimed to bring the soldiers back from Europe. It may happen that it will be necessary entirely to revolutionize the character of control that the railroads shall resume after they are turned back to their owners. I think we may predict with reasonable certainty that they will never be turned back under the old competitive conditions that existed prior to their taking over by the Government. We might as well recognize the fact that this is not only a military war, a world-wide conflict between military powers, but the result of this war will be a universal world-wide economic revolution, brought about by reason of or during the progress of the war. We may assume, I think, with a reasonable degree of certainty that these roads will not be turned back to their owners under the same conditions that existed prior to the time the Government took them over.

Mr. HARDY. Mr. Chairman, Congress is going to be in session annually right along after the war is over. Is there any reason why, when that time comes, Congress then in existence should not be allowed to control the matter under the conditions that then exist?

Mr. BARKLEY. Of course that is true, but I want to submit a suggestion as to the unwisdom of having a time limit for that reason.

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Not now, I have only 10 minutes. We have not the power of foresight to tell us what sort of legislation will be necessary. The bill provides for a two-year limit. If it should happen that in those two years the economic and financial conditions of the world are such, and the relations of the Government have become entwined and entangled with these railroads to such an extent that they can not be untangled in two years, then either we must turn back those roads automatically without any provision of law under the old competitive and chaotic conditions, or we must extend the time limit beyond the two years.

Mr. SHERLEY. What does the gentleman say to the converse of that, where if you happen to have a President that wanted Government ownership it would take two-thirds of the Congress to undo it?

Mr. BARKLEY. It takes two-thirds of the Congress to override any veto of the President, and I do not think we should act unwisely because of any fear of a veto.

Mr. SHERLEY. Yes; for this reason, that the war is a reason for doing things now, but it is not a reason for making it a continuing condition.

Mr. COOPER of Ohio. Will the gentleman yield for a question? I would like to ask the gentleman what power the President has to hold a railroad after the conclusion of peace? Tell me what power he has to hold a road after the declaration of peace?

Mr. BARKLEY. Congress in time of peace can pass a law taking over every railroad in the United States under the commerce clause of the Constitution.

Mr. COOPER of Ohio. Has he got the power now?

Mr. BARKLEY. And if Congress can do it in time of peace, Congress has the power in time of war to say that under the commerce clause it can continue their possession and operation after the war is over. In the absence of congressional action he could only keep them for a reasonable time after the war. If the time should be about to expire, and Congress has not acted, and there is an uncertainty in the money market, \$18,000,000,000 worth of securities are hanging by a thread; nobody knows what Congress will do, and if Congress hesitates and vacillates, and there may be a division between the Senate and the House or a division between the Congress and the President, and we should from time to time be compelled to pass a resolution of extension, that very uncertainty would put in motion such fear, doubt, and lack of confidence as might bring about in the United States a panic the like of which we have never seen since the Government began. Therefore I believe it is better to leave this matter to the wisdom of some future Congress without tying their hands, without compelling them to act with a stop watch, and depend upon the vision and the wisdom of some future Congress to act in the light of the circumstances that may then exist, and not try now to handicap them.

Mr. MADDEN. Will the gentleman yield for a short question?

Mr. BARKLEY. I yield for a short question.

Mr. MADDEN. This is an important bill and, I take it, involves all the value of the railroad companies in the United States, and it will not take more than a week to pass it, and I assume it will not take but two or three or four days to pass the legislation that will be necessary after the war closes.

Mr. BARKLEY. Oh, if the gentleman means to say that after this war is over, and the relationship between the railroads and their competitors is entirely wiped out, and the Government becomes entangled in the mesh of financial operating relations between railroads, that a law might be passed within a week providing for that situation, it is not doing the intelligence and the foresight of the gentleman from Illinois justice. It might be possible to pass a bill within a week after it is brought in the Congress, but who can tell how long it will take for the Government and Congress to determine what sort of a bill ought to be passed, and what sort of a permanent policy should be adopted with reference to the railroads?

Mr. MADDEN. It will not take very long to pass this one, and this is a very important bill.

Mr. BARKLEY. We are passing this with a great deal more expedition than we would if it were not so important and necessary to get it off our hands right now. When this war is over, and we are considering the changes coming out of it, we need not try now to blind ourselves to the conditions existing then whether we are for or against Government ownership. We can not stop the current of human progress, if people should favor permanent control, by placing a two-year limit upon the expiration of the term of Government control. I have heretofore referred to the fact that prior to the Civil War the Supreme Court thought it had settled the slavery question when it rendered the Dred-Scott decision. It did not settle it at all. It took four years of war to settle that question. I mention that not because this law will have a like result, but because it is impossible for Congress or courts to stem the tide of human progress in any direction the people may determine upon. It certainly can not be done by attempting to dam up the stream. I believe it to be the part of wisdom to leave the time open in order that future Congresses may deal with it in the light of the conditions that will exist after the war is over. I am not afraid to trust any Congress that the American people will select to deal wisely with this question, not under compulsion or limitation, but with vision, patriotism, and experience, in the light of the new conditions that will come as a result of the war, so that the interests of stockholders, the Government, and the American people may be safeguarded and protected. No suitable adjustment can be made or even forecast now. None should be attempted in blindness. The light we have to-day does not penetrate far enough into the future to reveal what may be necessary then. Let us leave the solution of that problem to those who may be called on to deal with it when peace and readjustment shall have approached. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. ESCH. Mr. Chairman, in view of the fact that the other side has used 2 hours and 25 minutes this afternoon I would like to yield to three or four Members on this side in succession.

Mr. SIMS. That will be perfectly satisfactory.

Mr. ESCH. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. Cooper].

Mr. COOPER of Ohio. Mr. Chairman and members of the committee, I have no desire to take up much time during the general debate on the bill which we are now considering. I believe that this is a time when every Member of this body should confine himself to things worth while, and the important issues which are before us relative to the great war in which we are now taking part. But this measure is a war measure in which we are all interested, and I believe it is one of the most important and far-reaching propositions our Government has ever undertaken, because there is involved in this measure the taking over by our Government of private property which is valued at approximately seventeen or eighteen billion dollars. I am one of the members of the Interstate and Foreign Commerce Committee, which held hearings and considered this measure—and at this point I want to congratulate the chairman, Judge SIMS, on the efficient manner and the successful way in which he conducted the hearings on this bill. In taking up this measure for consideration, I believe it is the duty of every Member of this body to consider the most important fundamental principle involved in this bill, and that is, the Government is taking over the railroads of our country to control and operate the same, as a real necessity, to help us and our allies to win the war. I believe that is the first and most important question which every Member ought to bear in mind while we are considering this measure.

There are two sections of this bill—sections 11 and 14—in which I am intensely interested and desire to express myself upon them at this time. Section 11 relates to the liabilities of common carriers while under Federal control. Section 11 says:

That carriers while under Federal control shall, in so far as is not inconsistent therewith, or with the provisions of this act, or any other act applicable to such Federal control, or with any order of the President, be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law. Suits may be brought by and against such carriers and judgments rendered as now provided by law, and in any suit against the carrier no defense shall be made thereto upon the ground that the carrier is an instrumentality or agency of the Federal Government. But no process, mesne or final, shall be levied against any property under such Federal control.

I desire to say that this section was considered very carefully by the committee who had charge of the bill, and we were concerned very much regarding the wording of this section, which has to do with the rights and remedies to recover for injuries and damages which we now have under State and Federal laws. The wording of the section says that the carrier shall be liable, and that suits may be brought by and against such carriers and judgments rendered as now provided by law. I must confess that I know very little about law, as I am not a lawyer or a member of that honorable profession, but I want to call your attention to the words starting in line 2, page 12, "or with any order of the President be subject to all laws and liabilities as common carriers." Now, it seems to me, that these words are very clear, for it states that the railroads shall be liable for all damages, providing the order which might have caused the damage or injury was not issued by the President or some one vested with power under Government control. Now, what I want to know is—and I trust some of the lawyers of this body will explain these words before we finish this bill—who is going to be liable for injuries or damages which may have been caused by an order of the President or the Director General of the railroads while they are under Government control. Mr. STINNESS, of Rhode Island, brought the question before the committee, and he cited such an instance as this: Supposing that a certain locomotive or railway equipment was not in a safe condition to make a trip over the road, and on account of the condition of such equipment the division superintendent or the train master refused to let the locomotive, train, or cars go over the road until it was in good condition and safe to the traveling public and employees of the railroad. Now, let us suppose that the Director General or some one with Government authority ordered this equipment to be moved, stating that it was a war necessity, and a serious accident happened by reason of this defective equipment. What I want to know is, Who would be liable for damages in a case of this kind? Surely no court would hold that the carrier was liable. And then, again, I want to call the lawyers' attention to the words in lines 9, 10, and 11, on page 12, which say:

That no process shall be levied against any property while under Federal control.

It seems to me that when a party sues and gets final judgment in his favor it is evidence conclusive that he is entitled to payment of the same; and in the case of a badly injured employee, if he can not obtain it, great suffering and loss is the probable result. Now, if one was to get judgment against the carrier, section 11 says that no process can be levied against the property of the carrier while said property is under Federal control. Now, I fully realize that this being a war measure it would be a bad thing to frame this bill in such a way as to let anyone who might have secured a claim for damages against the carrier tie up the road or equipment; but I do wish the chairman of this committee or some one would suggest an amendment to this section which would enable the injured employee or creditor to get his pay and at the same time fully protect the Federal Government in the use, possession, and control of the property so sold.

Mr. CLARK of Pennsylvania. Will the gentleman yield?

Mr. COOPER of Ohio. Yes.

Mr. CLARK of Pennsylvania. Does the gentleman come to the conclusion that there is no effective remedy for this?

Mr. COOPER of Ohio. I do not think so under this bill.

Mr. CLARK of Pennsylvania. What was the consensus of opinion in the committee?

Mr. COOPER of Ohio. That question was discussed very carefully, and I do not believe there were many members of the committee that cared to say that this section fully protected an injured person who might be entitled to recover damages.

Mr. CLARK of Pennsylvania. The gentleman's opinion accords with my own, for I do not believe there is any remedy.

Mr. BARKLEY. If the gentleman will permit me, a suit might be brought against the railroad and a recovery had, be-

cause it makes no difference whether the Government is liable or the road is liable, it all comes out of the operating expenses and is charged up to that.

Mr. COOPER of Ohio. That is not in the bill. If you will put it in the bill I will support it.

Mr. BARKLEY. The bill provides that every employee shall have the same remedy against the company that he had before. That is not limited by the fact that the Director General might order any train to go over any part of the road.

Mr. COOPER of Ohio. I understand that the gentleman from Wisconsin [Mr. LENROOT] has an amendment to the section, and I hope it will be agreed to.

Mr. CLARK of Pennsylvania. The laws of the States are not applicable if they are in conflict with the order of the President.

Mr. COOPER of Ohio. Section 14, which has to do with the length of time that the Federal Government shall control the railroads after the war is over, was discussed probably more than any other section in the bill. I believe that the railroads should go back to their owners no later than one year after the proclamation of peace, but there are some who would have the Government control the railroads indefinitely. Some members of the committee desire this. Mr. McAdoo, the Director General, and Mr. Anderson, of the Interstate Commerce Commission, favor indefinite control of the railroads. Now, I claim that the act of August, 1916, does not give the President the power to take over the railroads to control and operate them in times of peace. This act provides that the President in time of war shall have the power to take over our railroads—for what? For the transportation of troops, war material and equipment, or for such other purposes connected with the emergency. When this power was given to the President, it was not contemplated that it should be used in times of peace. When this power was granted we were having trouble with Mexico and were getting into the European conflict as fast as we could. But there was a limitation placed in this act, and that was that the President should be vested with this power during the time of war. We find that this same power was given to the President during the Civil War. In the act passed January 31, 1862, we find in section 5 these words:

*And be it further enacted*, That this act, so far as it relates to the operating and using said railroads, shall not be in force any longer than is necessary for the suppression of this rebellion.

And I read from the minority view the following:

We believe that such control should terminate as speedily as is consistent with due regard for the rights and interests of both the Government and the carriers and that one year or less after the proclamation of peace within which to make the proper readjustments would be reasonable. Congress in practically every war-emergency bill it has enacted has limited its operation to "the continuance of the war" or to six months or one year thereafter. It did this in the priority-of-ships-ments act, the espionage act, the trading-with-the-enemy act, the food control and food survey acts.

Now, why should we extend this power in the time of peace? I believe that to take over the railroads indefinitely means Government ownership, and at this time I am unalterably opposed to our Government undertaking such a proposition. If we are going to embark in Government ownership of railroads, we should take up this question in times of peace, not when the world is all afire and upside down. I, for one, am not ready to go into the question of Government ownership at this time. If we take up this question at all, we should meet it in the daylight, and not in the dark. If we are going to consider this question, let us meet it in the right spirit and at the right time, when our country is normal, not abnormal.

But there are some who would have the question of Government ownership sneak into this bill like the prowler comes into your home at night. Under the pretense of it being a war measure, they are trying to force upon the people of this country Government ownership without any study whatsoever of the question.

To place in this bill an indefinite time as to when the railroads shall go back to their owners, we create an uncertainty which would take the heart out of the men who have had charge of the operation of our railroads previous to the war. It seems to me that in order to keep our railroads up to the highest standard of efficiency we should set a definite time in this bill as to when these roads should go back to their owners and operators. Why some should want to experiment with Government ownership at this time I do not know, for it is a known fact that under Government ownership and control of railroads in other countries the cost of operation and the rates far exceed those of our own country under private control, and at the same time the service is not nearly as efficient, and the wages of the employees are much lower. The wage conditions of the American railway employees are bad to-day. Let me say in passing, while I am on

this question, that I believe the railroad men are the poorest paid class of skilled workmen in our country to-day, and to my mind the Government should at once grant an increase in wages to the American railroad employees. They are entitled to an increase, and should have it.

I listened with much attention to the speech of my colleague, Mr. STEPHENS of Nebraska, which he delivered on Tuesday. I can not agree with Brother STEPHENS when he says that the railroads of this country are operated by a gang of highbinders, crooks, and wrecking crews, as he calls them. I believe that there are just as honest, noble, patriotic, big business men at the head of the operating departments of our railroads as there are in any of the other business institutions of our country.

Mr. GREEN of Iowa. If the gentleman will permit, I think the gentleman from Ohio has somewhat misunderstood the gentleman from Nebraska [Mr. STEPHENS]. I do not think he referred to the railroad officials in general, but he meant to be understood, when he used the term "highbinders and thieves," to refer to that class of people that wrecked the Rock Island and the New Haven.

Mr. COOPER of Ohio. It is true that he referred to the Rock Island and the New Haven, but because they went wrong it does not follow that all the rest of the managers of the railroads in the country are highbinders and thieves. Most of these men have gone through the hard knocks of life, and through perseverance, hard work, and honesty have worked up the ladder to the top. I can not understand why some people are forever knocking the railroads and calling their owners and operators highbinders and crooks, for I think I can say that the United States has the finest and the most efficient system of railroads of any country in the world. And yet there is no business or industry in this country which has been legislated against and condemned more than our railroads. Let us try and be fair to the railroads and give them a square deal and help them when they need helping instead of clubbing them when they are down, such as they are now, which was brought on by no fault of theirs, but by reason of the great abnormal condition which exists in the world to-day. [Applause.]

Mr. ESCH. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I do not wish to take the time of the committee. I yield back the time, if I may have unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. WALSH. Mr. Chairman, reserving the right to object, is he going to extend his remarks upon this bill?

Mr. MASON. Mr. Chairman, I decline to answer the gentleman.

Mr. WALSH. Mr. Chairman, I object.

Mr. MASON. Then I shall take the time. I am much obliged to the guardian of the ink pot who permits me to waste two or three days to present to the people of this country the humble petition of the Irish-Americans who wish to get into the RECORD a statement by Mr. McCartan in regard to the effect of the proposed conscription, which could have been inserted within the past two days without taking the time of the committee, and I take the 10 minutes now to read his statement. If I shall read a little fast in order to conserve and economize time, I hope the distinguished gentleman who is opposed to the filing of this petition will make due allowance for my fast reading.

[Memorandum dispatched to the Secretary of State of the United States from the envoy of the provisional government of Ireland.]

FEBRUARY 17, 1918.

SIR: As the representative of the provisional government of Ireland, accredited to the United States, I have the honor to request you to bring to the notice of your Government the following observations concerning the treaty now in process of negotiation between the United States on the one hand and Great Britain on the other, whereby residents in the United States who are claimed as nationals by Great Britain may become available for military purposes.

The Irish born who reside in this country are separated by the American Government into three categories: First, American citizens by naturalization; second, declarants, or "such as have taken out their first naturalization papers and thereby declare their intention and desire to become full citizens of the United States"; third, aliens, those whose status as Irish nationals is beyond question.

Over the members of the first of these categories the United States alone exerts authority, an authority which the contemplated treaty can not influence, and which the provisional government of Ireland fully recognizes.

The formal declaration of intention to become a citizen of the United States is accompanied by an explicit statement of purpose to renounce allegiance to the sovereignty to which the declarant is subject. Basing its action upon this purpose of renunciation, Congress ordained, by the selective-service act of 1917, that cobelligerent declarants were liable to military duty in the United States on the same terms as citizens by birth or by adoption. In other words, citizens and declarants were placed upon an equality of sacrifice in defense of the United States. The ratio of cobelligerent declarants called to those accepted

for service was higher than that among citizens naturalized by pre-war legal forms, and only slightly lower than that among citizens by birth. (Provost Marshal General's Report, p. 55.)

Civic sacrifice carries with it an inalienable right to privileges. This principle is well recognized by your Government and already modifies the process of naturalization for enlisted aliens in the Army and Navy. No State can in equity require the sacrifice of life to civic duty from any but a citizen. The enforcement by the State, and the acceptance by the cobelligerent declarants, of the supreme duty inherent to citizenship constituted a contract between the State and cobelligerent declarants. That contract implicitly extended to cobelligerent declarants the right to the privilege of citizenship of the United States. The selective-service act of 1917 in equity naturalized cobelligerent declarants, and was in accord with the established policy of the United States as laid down in section 1999 of the Revised Statutes of the United States.

Cobelligerent declarants were called upon for military service as a class. The demand for military service made upon them differed in no particular from the demand made upon other classes of citizen. Accident of age, ballot, health, or other circumstance, caused certain of these declarants to be discharged, exempted, rejected, or not called upon; but similar accidents affected in precisely similar ways both native-born and naturalized citizens. Such accidents can, therefore, in no wise affect the status of citizenship conferred implicitly by the selective-service act upon all cobelligerent declarants; that act was in nature a contract which can not be modified by treaty or convention.

As the provisional government of Ireland are maintaining on a front, where allied unity is not at present possible, the principle of self-determination, and as the United States Government entered the war to champion that principle, our respective countries are de facto cobelligerents, associates in a common struggle for this common cause. The fundamental right of every human being to voluntary expatriation, a right upon which your great country is built, a right for which many of your noblest died in the Wars of 1776 and of 1812, a right specifically established here for declarants by the expatriation law of 1868, a constitutional right which no executive officer may violate and which no treaty may restrict was exercised in intent by those of Irish birth who became declarants here. The provisional government of Ireland accepting the obligation implied by this cobelligerency, and upholding the right of expatriation, did not protest the inclusion of Irish-born declarants in the scope of the selective-service act of 1917, but tacitly acquiesced in that inclusion, which was therefore legally established. Hence it is far from my duty now to question the legality of this established fact; but I must protest against any attempt to reopen the matter by treaty or convention with a third power—Great Britain. The inclusion of the Irish born, who are declarant citizens, in the scope of the pending Anglo-American treaty would be contrary to justice and equity; would be a reversal by treaty of the action of Congress in the expatriation law of 1868 and in the selective-service act of 1917; would be an unconstitutional exercise of treaty-making authority; and would be a repudiation of the traditional American principles and policy. Hence the provisional government of Ireland refuses to believe that the Government of the United States has in contemplation any treaty with Great Britain which would discriminate against a group of coopted American citizens—the Irish declarants—who in this war have shown themselves the most devotedly loyal of all American citizens.

A treaty with Great Britain may properly concern only American residents of British origin who have made no legal expression of intent to become a citizen. The term "British" is correctly applied only to the English, Scotch, and Welsh. The Government of Great Britain—i. e., of England, Scotland, and Wales—has the right to enter into agreements with the United States regarding only the British residents here and the resident who was formerly an inhabitant of a British Crown colony such as Jamaica, which is governed from the British colonial office. But Great Britain can not enter into agreements on behalf of the self-governing dominions such as Canada. Hence, I am informed, Canadian aliens are included in this treaty by a separate convention with the Government of Canada. Canada could enter into such an arrangement for the draft is legal in Canada. But citizens of a self-governing colony, which like South Africa has refused to consider conscription, or which like Australia has specifically rejected conscription, can not be made subjects of draft conventions between the United States and Great Britain without impugning their jealously cherished rights of sovereignty. To conscript Boers or Australians here would be not only to deny the right of self-determination which these people claim and now enjoy, but would also be tantamount to American recognition of the right of England to conscript Boers and Australians as the Romans conscripted the barbarians—without the sanction of the conscripted and for the benefit of the Empire; that is, England.

Last summer the British Premier, in the name of and by the authority of the British Government, declared that a convention of Irishmen should meet to determine a plan for the government of Ireland within the British Empire. He thus conceded that Ireland is a small nationality, entitled to government by Irishmen; and in a somewhat Teutonic form be applied the principle of self-determination to Ireland by creating the Irish convention. Even the British thus pretend to recognize Ireland's right to be self-governing. Even the British do not attempt to apply conscription in Ireland. And the Provisional Government of Ireland wholly denies the authority of Great Britain, or of any other State, to conscript such Irish nationals as circumstance has for the moment removed from the protection of the Provisional Government of Ireland. It has not been the habit of the Government of your great, liberty-loving Republic to exploit the defenseless; and I am confident our Government need be under no apprehensions now on this score. Hence, in submitting this memorandum against the inclusion of Irish nationals in the scope of the pending treaty, I wish clearly to disavow all intention to impute to your Government the motive which might be supposed to require this protest. Among the Irish here who have not already volunteered as refugees of the revolutionary government of Ireland. It is of the ethics of statehood to give sanctuary to political refugees. Even the unspeakable Turk refused, at the risk of war, to deliver up to Austria and Russia the Hungarian revolutionaries who within living memory sought haven at Constantinople. And I do not for a moment fear that the Irish refugees in the United States who conscientiously object to aid, either directly or indirectly, in the aggrandizement of the British Empire will be forced by treaty to attempt to flee to Mexico in search of a safety denied them here.

The results to be obtained from the inclusion of the Irish in such a treaty are negligible. Among immigrants the Irish are of the first to seek citizenship. Of the hundreds of thousands of adolescent Irishmen who before the war found existence impossible in an English-ridden Ireland almost all have become declarants or citizens, almost all are

taking their place alongside the native-born American in this war. For the total number of Irish aliens between the ages of 21 and 30, inclusive, registered in the United States was only 20,840. Would there be any need to impress the handful of these who when called would not volunteer, if the four and a half divisions, which Sir P. E. Smith told us were with machine guns governing Ireland, were sent to France?

In objecting to conscription here under a British treaty, Irishmen are influenced solely by the desire not to compromise their nationality. In the American Army about 25 per cent of the draft are of the Irish race. Indeed, among the cobelligerent aliens here who were called in the draft, and, who, waiving the exemption to which they were entitled as aliens, were accepted for service, the Irish ranked easily first in devotion to the country which was giving them sanctuary. From the Provost Marshal General's report, appendix 33a, the following percentages are computed:

*Percentage of the total alien cobelligerents called who waived exemption and were accepted.*

Ireland	30.4
Belgium	24.4
Scotland	24.2
England	22.5
Wales	22.0
Serbia	21.7
Canada	21.0
France	19.4
Italy	16.8

Of the total registered citizens and declarants called 27.06 per cent were certified for service. (Provost Marshal General's Report, p. 55, table 27.) The Irish alien, with 30.4 per cent, has therefore already made a relatively better contribution to the defense of the United States in this war than even the United States citizen. I can not conceive that he is now to be rewarded for this unequalled demonstration of friendship for the United States by a treaty which makes his nationality a matter of barter between the Governments of the United States and of Great Britain.

On January 5 Premier Lloyd-George announced that Great Britain was fighting for the principle of self-determination; extended the application of that principle even to the African Askari. On February 11 President Wilson, in his address to Congress, asserted that America's essential aim in the war was to establish the principle of self-determination in the law of nations. It is axiomatic that a principle worthy of the sacrifice which civilization is being called upon to offer in this contest, must be of universal application, valid alike for friend and for foe; that those to whom the benefits of the principle are denied may not be conscripted for sacrifice to secure these benefits for others; and that no power can rightly claim to be devoting men, money, and munitions to the defense of a principle which that power does not observe within its own territory. As Ireland is indisputably a nation, the principle of self-determination is as applicable to Ireland as it is, say, to Poland or to Palestine; the Irish must first be guaranteed the exercise of their own right of self-determination before they can be expected to die for the freedom of foreign nationalities; and so long as that guaranty is refused, the validity of the principle is questionable, and the right of the allies to champion that principle needs proof. No group can justly seek to impose by force upon a selected enemy a principle which is repudiated by any of its members; self-determination is not a punitive principle to be applied only to the enemy.

Any treaty by which Irish nationals would become liable to conscription here, if arranged without the sanction of the provisional government of Ireland, would violate the right not merely of Irish Nationals but of plain people everywhere, and would implicitly discredit the good faith of any champion of self-determination who might be party to it. Hence, I feel assured that the Government of the United States will not enter into any treaty with the Government of Great Britain, by which the Irish people here will be "bartered about from sovereignty to sovereignty as if they were mere chattels and pawns in a game."

I am, sir,

Your obedient servant,

PATRICK MCCARTAN, F. R. C. S.,  
Envoy of the Provisional Government of Ireland.

Mr. Chairman, the reason I wanted that in the RECORD is not only because it was requested by my constituents, but because I wanted to bring it before the Congress, and I have no doubt that the question raised by Mr. McCartan will be provided for. It will be hardly fair for our Government to ask for, or the Government of Great Britain to attempt to give, the power to conscript men in this country whom she can not conscript in their own country.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. RUSSELL, as Speaker pro tempore, having assumed the chair, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9685 and had come to no resolution thereon.

#### PANAMA RAILROAD CO. (S. DOC. NO. 179).

The SPEAKER pro tempore laid before the House the following message of the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

#### To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the sixty-eighth annual report of the board of directors of the Panama Railroad Co. for the fiscal year ending June 30, 1917.

WOODROW WILSON.

THE WHITE HOUSE, February 20, 1918.

#### LEAVE OF ABSENCE.

The SPEAKER pro tempore. The Chair lays before the House the following request for leave of absence, which the Clerk will report.

The Clerk read as follows:

Mr. TIMBERLAKE requests leave of absence for one day, February 22, 1918, to make a patriotic address before the Woman's Section, Council of National Defense, at Annapolis, Md.

The SPEAKER pro tempore. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, that is a very unusual form in which to make such a request. Is the gentleman present?

The SPEAKER pro tempore. The Chair does not see him.

Mr. GARRETT of Tennessee. It is a very unusual form. However, if the gentleman is not here, I shall not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

#### HOURLY OF MEETING TO-MORROW.

Mr. SIMS. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER pro tempore. Is there objection?

There was no objection.

#### ADJOURNMENT.

Mr. SIMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 55 minutes p. m.), in accordance with the order heretofore made, the House adjourned until to-morrow, Friday, February 22, 1918, at 11 o'clock a. m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury relating to the extension of the provisions of the bill to supply Army officers with uniforms, etc., at cost to officers of the Public Health Service engaged at national cantonments (H. Doc. No. 955); to the Committee on Military Affairs and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Commissioners of the District of Columbia submitting supplemental estimates of appropriation required by the District of Columbia for the fiscal year 1919 (H. Doc. No. 956); to the Committee on Appropriations and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. HOUSTON, from the Committee on the Territories, to which was referred the bill (H. R. 9960) to prohibit the sale, manufacture, and importation of intoxicating liquors in the Territory of Hawaii during the period of the war, reported the same with amendment, accompanied by a report (No. 326), which said bill and report were referred to the House Calendar.

Mr. PADGETT, from the Committee on Naval Affairs, to which was referred the bill (S. 3126) to provide temporary promotion for retired officers of the Navy and Marine Corps performing active duty during the period of the present war, reported the same with amendment, accompanied by a report (No. 329), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 7638) to authorize the Secretary of the Navy to make payment to the employees of the Navy for leave not taken and used by the employees, reported the same without amendment, accompanied by a report (No. 330), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 9390) to promote the efficiency of the Navy, and for other purposes, reported the same without amendment, accompanied by a report (No. 331), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 8986) to pay a cash reward to civilian employees of the United States Navy, reported the same with amendment, accompanied by a report (No. 332), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 8983) to amend an act approved May 27, 1908 (35 Stat., pp. 417, 418), and for other purposes, reported the same without amendment, accompanied by a report (No. 334), which said bill and report were referred to the House Calendar.

He also, from the same committee, to which was referred the bill (H. R. 7327) to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," approved August 29, 1916, reported the same without amendment, accompanied by a report (No. 333), which said bill and report were referred to the House Calendar.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GLASS: A bill (H. R. 10104) to amend and reenact sections 4, 11, 16, 19, 22, and 25 of the act approved December 23, 1913, and known as the Federal reserve act, and sections 5208 and 5209, Revised Statutes; to the Committee on Banking and Currency.

By Mr. ANDERSON: A bill (H. R. 10105) to amend section 2, of part B, of the act entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1917, and for other purposes," approved August 11, 1916, known as the United States grain-standards act; to the Committee on Agriculture.

By Mr. PHELAN: A bill (H. R. 10106) to authorize national banking associations to establish branches; to the Committee on Banking and Currency.

By Mr. GANDY: A bill (H. R. 10107) authorizing the Secretary of War to deliver to the town of White River, S. Dak., one condemned bronze or brass cannon or fieldpiece and suitable outfit of cannon balls; to the Committee on Military Affairs.

By Mr. SMITH of Michigan: A bill (H. R. 10108) increasing rates of pensions of soldiers and sailors of the Civil War and the War with Mexico; to the Committee on Invalid Pensions.

By Mr. MADDEN: Resolution (H. Res. 255) for the consideration of H. R. 9414; to the Committee on Rules.

By Mr. BURROUGHS: Joint resolution (H. J. Res. 251) proposing amendments to the Constitution of the United States giving the right of suffrage, of representation in Congress, of choice of President and Vice President, and equal rights in the courts to the people of the District of Columbia, and for the safe transmission of the Executive power; to the Committee on the Judiciary.

By Mr. ROGERS: Memorial of the General Court of the Commonwealth of the State of Massachusetts, favoring the ratification of regulations establishing a closed season on water fowl; to the Committee on Agriculture.

Also, memorial of the General Court of the Commonwealth of Massachusetts, favoring the creation of a league of nations to safeguard permanent peace at the termination of the present war; to the Committee on Foreign Affairs.

By Mr. TINKHAM: Memorial of the General Court of the Commonwealth of Massachusetts, favoring the ratification of regulations establishing a closed season on water fowl; to the Committee on Agriculture.

Also, memorial of the General Court of the Commonwealth of Massachusetts, favoring the creation of a league of nations to safeguard permanent peace upon the termination of the present war; to the Committee on Foreign Affairs.

#### PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10109) granting an increase of pension to Oscar Dunham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10110) granting an increase of pension to Zachariah Allbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10111) granting an increase of pension to Samuel Gilbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10112) granting an increase of pension to Milton Mahaffey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10113) granting an increase of pension to Charles Mountain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10114) granting a pension to Alfred Andrews; to the Committee on Invalid Pensions.

By Mr. DEWALT: A bill (H. R. 10115) granting an increase of pension to William H. Shunk; to the Committee on Pensions.

Also, a bill (H. R. 10116) granting an increase of pension to Frank W. Henninger; to the Committee on Invalid Pensions.

By Mr. DILL: A bill (H. R. 10117) granting a pension to Edwin E. Robertson; to the Committee on Pensions.

By Mr. FIELDS: A bill (H. R. 10118) granting an increase of pension to Ella G. Hamrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10119) granting an increase of pension to Joseph H. Hamrick; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 10120) granting an increase of pension to Joseph Loughry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10121) granting an increase of pension to James A. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10122) granting an increase of pension to Dennis G. Morgan; to the Committee on Invalid Pensions.

By Mr. GARD: A bill (H. R. 10123) granting an increase of pension to William H. McCurdy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10124) granting a pension to Jesse A. R. Forbes; to the Committee on Pensions.

Also, a bill (H. R. 10125) for the relief of Jacob Shoup; to the Committee on Military Affairs.

By Mr. GILLET: A bill (H. R. 10126) granting a pension to Esmeralda C. Adams; to the Committee on Invalid Pensions.

By Mr. HAMILTON of New York: A bill (H. R. 10127) granting a pension to Pheba A. Vaughn; to the Committee on Invalid Pensions.

By Mr. HAYDEN: A bill (H. R. 10128) granting an increase of pension to Lucian B. Walker; to the Committee on Invalid Pensions.

By Mr. KETTNER: A bill (H. R. 10129) to transfer Frederick W. Cobb from the list of chief machinists, United States Navy, to the list of chief pay clerks, United States Navy; to the Committee on Naval Affairs.

By Mr. KEY of Ohio: A bill (H. R. 10130) granting an increase of pension to Henry M. Inman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10131) granting an increase of pension to Benjamin Ott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10132) granting a pension to Fanny Simpson; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 10133) granting a pension to Mary Diven; to the Committee on Pensions.

By Mr. LUNDEEN: A bill (H. R. 10134) granting a pension to Patrick H. May; to the Committee on Pensions.

Also, a bill (H. R. 10135) granting a pension to William J. Linn; to the Committee on Pensions.

Also, a bill (H. R. 10136) granting a pension to Harry Vining; to the Committee on Pensions.

Also, a bill (H. R. 10137) granting a pension to Catherine Mahady; to the Committee on Pensions.

Also, a bill (H. R. 10138) granting a pension to Maggie Coss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10139) granting an increase of pension to Robert A. Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10140) granting an increase of pension to Mathias Logelin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10141) granting an increase of pension to Conrad H. Rowe; to the Committee on Pensions.

By Mr. MOORES of Indiana: A bill (H. R. 10142) granting a pension to Elizabeth M. Steele; to the Committee on Pensions.

Also, a bill (H. R. 10143) granting a pension to Andrew R. Lewis; to the Committee on Pensions.

By Mr. MONDELL: A bill (H. R. 10144) granting a pension to Stanley S. Courtright; to the Committee on Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 10145) granting an increase of pension to William S. Webb; to the Committee on Invalid Pensions.

By Mr. PARK: A bill (H. R. 10146) granting a pension to Eugene A. Hendricks; to the Committee on Pensions.

By Mr. POWERS: A bill (H. R. 10147) granting a pension to Alexander P. Steele; to the Committee on Invalid Pensions.

By Mr. RANDALL: A bill (H. R. 10148) granting a pension to Josephine Parker; to the Committee on Invalid Pensions.

By Mr. ROBBINS: A bill (H. R. 10149) granting an increase of pension to James H. Stone; to the Committee on Invalid Pensions.

By Mr. RUSSELL: A bill (H. R. 10150) granting an increase of pension to Frank B. Weed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10151) granting an increase of pension to Ephraim Brower; to the Committee on Invalid Pensions.

By Mr. SANDERS of Louisiana: A bill (H. R. 10152) to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of estate of Samuel N. White, deceased; to the Committee on War Claims.

By Mr. SEARS: A bill (H. R. 10153) granting a pension to George Gwynne; to the Committee on Pensions.

Also, a bill (H. R. 10154) granting a pension to Narcissa A. Grant; to the Committee on Pensions.

By Mr. SLEMP: A bill (H. R. 10155) granting a pension to Pleasant D. Cooper; to the Committee on Pensions.

By Mr. CHARLES B. SMITH: A bill (H. R. 10156) granting a pension to John Moc t, jr.; to the Committee on Pensions.

By Mr. SNOOK: A bill (H. R. 10157) granting an increase of pension to Frank B. Gorman; to the Committee on Pensions.

By Mr. STEPHENS of Mississippi: A bill (H. R. 10158) to allow credits in the accounts of certain disbursing officers of the Army; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolutions of the Child Culture Club, Ogden, Utah; the Mishawaka Woman's Club, Mishawaka, Ind.; and the Woman's Improvement Club, Corona, Cal., urging the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. CARY: Resolutions of the Newton Federation of Women's Clubs, Newtonville, Mass.; the Mishawaka (Ind.) Woman's Club; and the Child Culture Club, Ogden, Utah, asking for the repeal of the periodical postage provisions of the war-revenue act; to the Committee on Ways and Means.

Also, resolution of the German-American Central Verein, of Spokane, Wash., protesting against the passage of a law to rescind the charter of the German-American Alliance of the United States of America; to the Committee on the Judiciary.

By Mr. CLARK of Pennsylvania: Petition of Anna Foley, Margaret Walthausen, Minnie Kutz, A. G. Hansen, and 18 others, officers and members of Lounsbury Hive, No. 14, Macabees, favoring passage of House bill 7995, for the preservation of the Niagara, Commodore Perry's flagship in the Battle of Lake Erie; to the Committee on Military Affairs.

By Mr. DALE of New York: Petition of Newton Federation of Women's Clubs, of Newtonville, and Progressive, Literary, and Fraternal Club of Bellingham, Wash., against increase on second-class mail rates; to the Committee on Ways and Means.

Also, petition of Hon. P. Hall Packer, of Sea Bright, N. J., favoring legislation for the protection of the beach at Sea Bright, N. J.; to the Committee on the Merchant Marine and Fisheries.

Also, petition of Woman's Improvement Club, of Corona, Cal., and Child Culture Club of Ogden, Utah, against increase in second-class postage; to the Committee on Ways and Means.

By Mr. FOSTER: Petitions of Woman's Christian Temperance Union and Woman's Club of Kinmundy, and citizens of Kell, Ill., urging repeal of the second-class postage rate; to the Committee on Ways and Means.

By Mr. FULLER of Illinois: Petitions of the Newton Federation of Women's Clubs, of Newtonville, Mass.; the Child Culture Club of Ogden, Utah; and the Woman's Improvement Club of Corona, Cal., for the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

Also, memorial of the Farmers Cooperative Grain Dealers' Association of Iowa, relative to the pending railroad bill; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMILTON of New York: Evidence to accompany H. R. 10042, granting an increase of pension to James Stapleton; to the Committee on Pensions.

By Mr. KIESS of Pennsylvania: Testimony in support of H. R. 9801, for the relief of Susie A. Van Kirk; to the Committee on Naval Affairs.

Also, evidence in support of House bill 9542, granting a pension to Uriah Adams; to the Committee on Invalid Pensions.

By Mr. SNEEL: Petition of citizens of Madrid, N. Y., urging favorable action on national emergency war prohibition; to the Committee on the Judiciary.

Also, petition of pharmacists of Dannemora, N. Y., and vicinity, urging support of the Edmonds bill (H. R. 5531) to increase the efficiency of the Medical Department of the United States Army, to provide a pharmaceutical corps in that department, and to improve the status and efficiency of the pharmacists in the Army; to the Committee on Military Affairs.

By Mr. TILSON: Petition of Connecticut Council of Defense, favoring passage of Senate bill 1786, relating to the Medical Corps in the Army; to the Committee on Military Affairs.

By Mr. VARE: Memorial of the Commercial Exchange of Philadelphia, Pa., in support of the resolutions of the Atlantic Deeper Waterways Association; to the Committee on Rivers and Harbors.

#### SENATE.

FRIDAY, February 22, 1918.

(Legislative day of Thursday, February 21, 1918.)

The Senate met at 11 o'clock a. m.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Beckham	Jones, N. Mex.	Nugent	Smoot
Culberson	Jones, Wash.	Overman	Sterling
Curtis	Kellogg	Owen	Stone
Dillingham	Kendrick	Page	Sutherland
Fernald	Kenyon	Poin Dexter	Swanson
Fletcher	King	Ransdell	Thomas
Frelinghuysen	Kirby	Reed	Tillman
Gallinger	Knox	Robinson	Townsend
Gerry	Lewis	Shafroth	Trammell
Hale	McKellar	Sheppard	Vardaman
Hardwick	McNary	Sherman	Warren
Henderson	Martin	Smith, Ga.	Williams
Hollis	New	Smith, Md.	
Johnson, S. Dak.	Norris	Smith, S. C.	

Mr. McNARY. I wish to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness.

Mr. LEWIS. Permit me to announce the absence of the Senator from Kentucky [Mr. JAMES] and the Senator from Oregon [Mr. CHAMBERLAIN], occasioned by personal illness. I ask to have the announcement stand for the day.

Mr. SUTHERLAND. My colleague, the senior Senator from West Virginia [Mr. GOFF], is absent owing to illness. I ask that this announcement may stand for the day.

Mr. MCKELLAR. I desire to announce the absence of the senior Senator from Tennessee [Mr. SHIELDS] on public business.

The VICE PRESIDENT. Fifty-four Senators have answered to the roll call. There is a quorum present.

Among the rules of the Senate is the following rule:

No request by a Senator for unanimous consent for the taking of a final vote on a specified date upon the passage of a bill or joint resolution shall be submitted to the Senate for agreement thereto until, upon a roll call ordered for the purpose by the presiding officer, it shall be disclosed that a quorum of the Senate is present; and when a unanimous consent is thus given, the same shall operate as the order of the Senate, but any unanimous consent may be revoked by another unanimous consent granted in the manner prescribed above upon one day's notice.

In accordance with that rule, the Senate entered into this unanimous-consent agreement:

It is agreed, by unanimous consent, that at not later than 2 o'clock p. m., on the legislative day of Thursday, February 21, 1918, the Senate will proceed to vote upon any amendment that may be pending, any amendment that may be offered, and upon the bill S. 3752, a bill to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, through the regular parliamentary stages to its final disposition; and that from and after the hour of 2 o'clock p. m. up to the hour of 6 o'clock p. m. of the calendar day of Thursday, February 21, 1918, no Senator shall speak more than once or longer than 10 minutes upon the bill or any amendment offered thereto; and that after the last-named hour on the said calendar day of Thursday, February 21, 1918, no Senator shall speak more than once or longer than 5 minutes upon the bill or any amendment offered thereto.

It will be observed that by this unanimous-consent agreement the bill (S. 3752) must proceed to its final disposition through the regular parliamentary stages during the legislative day of February 21, 1918. The Senate held until 6 o'clock of the calendar day of February 21, 1918, at which time the right to 10-minute speeches upon the bill or any amendment thereto expired. It then recessed until to-day, the calendar day of February 22, at the hour of 11 o'clock a. m. This still being the legislative day of February 21, 1918, there is nothing in the unanimous-consent agreement that requires a vote to be taken at any definite hour upon the legislative day of February 21, 1918.

There is another order of the Senate made in the year 1901 to the effect that, unless otherwise ordered, on the 22d day of February in each year, or if that day shall be on Sunday, then on the day following, immediately after the reading of the Journal, Washington's Farewell Address shall be read to the Senate by a Senator to be designated for the purpose by the presiding officer.

The Chair is confronted by two orders of the Senate. If they could not be construed together so as to keep each of them in force the Chair would be compelled to hold that the unanimous-consent agreement touching the pending bill took precedence. But the Chair does not believe that there is any conflict between the two agreements in view of the fact that no Senator can lose any right. The debate will not thereby be cut off if the Chair shall hold that the order with reference to the reading of Washington's Farewell Address is in order. The Chair believes it is in order, and unless there be an appeal taken from